



To: OSU Board of Trustees
Executive, Audit & Governance Committee

From: Román Hernández, Chair

Subject: Board Chair's Report: FY2025 Presidential Assessment and
FY 2025 Compensation Adjustment

Date: October 22, 2025

The Board of Trustees is charged with oversight of the president, including assessing her performance to help inform and support her successful leadership. The process and criteria for assessing the president is set out in board policy.

The purpose of the presidential assessment is to provide the president with regular support and feedback on performance by identifying areas of strength and opportunities for further development. The assessment process also provides the board an opportunity to reflect on the health of the university and the leadership demonstrated by the president. Finally, a formal process meets the needs of the board to ensure the public that it is meeting accountability expectations.

In the attachment, President Murthy reports on the status of key domains, progress on the board-approved FY2025 goals and presents her proposed agenda for FY2026. As anticipated, the goals defined in Prosperity Widely Shared require long-term action and therefore are expected to continue into the next several years. Input on performance and goals was sought from trustees and a subset of direct reports and university partners. A summary of that feedback is included.

I submit the following report to complete this year's assessment of President Murthy.

Results of the FY2025 assessment

The president's goals for this past year were to:

1. Continue Implementation and Tracking of Prosperity Widely Shared: The Oregon State Plan
2. Work with OSUF to Advance Capital Campaign
3. Continue to Develop Physical Infrastructure to Support OSU Priorities
4. Continue to Deepen Connections to OSU Stakeholders, Communities, the Nation and Beyond
5. Develop and Implement Strategy to Address Athletics Re-alignment

6. Continue to Develop and Refine Marketing and Communications Strategy
7. Develop and Implement Long-term AI/ML Strategy
8. Develop a Long-term Strategy to Improve Higher Education Funding in Oregon
9. Promote Proactive Engagement and Institutional Dialogue on Divisive Campus Issues

Establishment of FY2025 Goals

I met with the president to share the feedback on her self-assessment report and her proposed agenda for the year. For FY2026, the president proposes to focus her attention in the following major areas:

1. Implement and Track Prosperity Widely Shared
2. Advance Capital Campaign
3. Develop Physical Infrastructure to Support OSU Priorities
4. Deepen Connections to OSU Stakeholders, Communities, the Nation and Beyond
5. Address Athletics Realignment
6. Develop and Implement Long-Term Artificial Intelligence Strategy
7. Develop a Long-term Strategy to Improve Higher Education Funding in Oregon
8. Promote Proactive Engagement and Institutional Dialogue on Divisive Campus Issues

Trustees expressed their appreciation for the president's leadership and steady hand in guiding the university through a year that was marked with challenges and a rapidly changing higher education landscape. Progress towards achieving the university's long-term strategic goals, advancing the capital campaign, and the continued growth in student enrollment was praised. Similarly, there was recognition of the president's strategic partnering with industry partners, including the pursuit of new areas for economic development in support of the university and its continued contributions to the state and the people of Oregon and beyond. Positive feedback was received about the president's contributions to the advancement of the capital campaign. Prioritizing relationships with stakeholders and the president's ability to foster a sense of connection in a genuine manner was cited as another marker of her leadership.

Challenges in the federal landscape and potential shortfalls in state and federal funding were acknowledged. Trustees and others recognized that some adjustment may be expected in the approach to realizing the university's strategic goals. One trustee noted that the importance of a carefully considered communication plan would be even more important in the coming year, given the uncertainty in federal and state funds and the potentially significant impacts to the university's budget.

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Feedback from others signaled strong support and confidence in the president's leadership. The foundation praised the president's leadership and expressed appreciation for the advancement of the strategic plan and capital campaign. Foundation board leadership emphasized positive impacts of the strong relationships that the president has established and continues to nurture.

Academic freedom and independence surfaced as an anticipated challenge area for the year ahead. Budget shortfalls and uncertainty about athletics realignment were similarly noted.

Feedback was strong about the president's ability to lead during uncertain and tumultuous times. Trustees expressed their commitment of support for the president, her agenda and asked what the board can best do to support her success in the coming year.

Conclusion

Along with my fellow board members, I support the president's agenda, have confidence in her leadership and ability to further Prosperity Widely Shared and steward the university through challenging times.

I recommend that the committee accepts this report, thereby completing the FY2025 assessment and setting the president's agenda for FY2026.

Next Steps

In addition to considering the acceptance of the president's FY 2026 agenda and FY2025 assessment, the committee will review the attached report and my proposed recommendation for the presidential employment agreement.

Presidential Employment Agreement

BACKGROUND

Under ORS 352.096, the Board of Trustees is to prescribe the president's compensation and terms and conditions of employment. Under the Presidential Compensation Philosophy adopted in January 2016, the board set a goal to provide competitive compensation for the president through comparison to similar positions in talent markets that is fair, equitable and financially sustainable. Under the Presidential Compensation Philosophy, the board reviews the board chair's proposal to the Executive Audit and Governance Committee, which then makes a recommendation to the full board to ensure that compensation and benefits are determined and paid in a manner in compliance with applicable law and maintains a record of the basis for its decision.

COMPENSATION REVIEW & EMPLOYMENT AGREEMENT

In alignment with its responsibilities and in consideration of the president's performance, years of experience, shifts in the current talent market, and a strong desire to provide competitive and fair compensation to President Murthy, the board voted at the October 25, 2025 to delegate the responsibility of reopening and negotiating the president's contract. The chair accepted this duty.

An analysis of presidential compensation for peer and aspirant institutions showed base salaries ranging from \$420K to \$1.2M. Supplemental retirement was a standard benefit for all peer and aspirant institutions; approximately 70% of institutions surveyed included some form of retention incentive. Of the peer land grant institutions surveyed, the range for incentive payments was \$100K - 600K. Retention incentives were paid either in two installments over the term of the contract or a single payment at the end of the contract. Supplemental retirement was a standard benefit for all peers and aspirants and ranged from a percentage of the base salary to a flat amount, averaging around \$165K per year. It was noted that all but two of the institutions surveyed are led by relatively new presidents with three or less than 3 years of experience in their respective roles.

The board chair carefully considered board policy, compensation comparators and the exceptional performance of a seasoned leader who is essential to maintain momentum, drive progress, and realize strategic goals of the university. Additionally, he reflected on the president's self-assessment reports and exceptional performance feedback received over the tenure of her service.

The presidential compensation package provided in the attachment to this report reflects the analysis of the current talent market, the experience and performance of the president and the fulfillment of the board's directive to provide competitive, equitable compensation for the president.

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The total compensation package is also supported by the OSU Foundation, which will provide a supplemental contribution to the president's base salary and retention/deferred compensation. The foundation is strongly committed to supporting university's retention of a high-performing leader who has significantly contributed to advancing the capital campaign. The OSU Foundation's supplemental contributions are subject to approval of the foundation board chair.

The employment agreement was drafted with the assistance of outside counsel, under the supervision of OSU general counsel, and with support from the board secretary. Compensation data was based on presidential contracts and a cross section of data drawn from CUPA by the Association for Governing Boards. The employment agreement is attached for the committee's consideration.

After the board vote, the board secretary will submit a letter on behalf of the board chair to the OSU Foundation Board Chair for approval.

NEXT STEPS

The Executive, Audit and Governance Committee will consider making a recommendation to the full board regarding the presidential assessment and the approval a new 5-year employment agreement. Adjustments in compensation provided by the OSU Foundation are subject to approval by the OSU Foundation Board.



Oregon State
University

**President's Self-Assessment Report for FY 2025
and Goals for FY 2026**

Jayathi Y. Murthy
President
Oregon State University

Submitted September 19, 2025

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President's Self-Assessment Report for FY 2025 and Goals for FY 2026

September of 2025 marked the end of my third year as president of Oregon State university. Last fall, I described goals I would seek to achieve during FY 2025. The OSU Board of Trustees approved this proposal in the board meeting held on Oct. 25, 2024 ([Appendix 1](#)). In this self-assessment report, I describe progress in achieving OSU's long-term strategic goals and plans for FY 2026.

This report is structured as follows. In [Section 1](#), I describe the status of key domains related to enrollment, student success, campus demographics, research, physical infrastructure, and others. In [Section 2](#), I report on progress toward the university's long-term strategic goals and describe specific activities planned for FY 2026. In [Section 3](#), I describe emerging challenges and opportunities facing the university that were not a part of our long-term planning but are the result of the evolving external landscape. The eight specific elements that are required to be reported by board policy are either presented explicitly in [Section 1](#) or are included in the discussion of FY 2025 achievements in [Section 2](#).

As always, I acknowledge the work of an extraordinary team of faculty, staff and students at Oregon State and the OSU Foundation team in achieving these goals. I am also deeply grateful for the support of the Board of Trustees during this eventful year.

Section 1: State of the University

1.1 Student Enrollment

Overall enrollment at OSU stood at 38,125 students in fall 2024, a one-year increase of 4.1% ([Figure 1](#)). [Table 1](#) shows more detailed information. OSU has had year-on-year enrollment increases for 28 consecutive years, a record for 4-year universities in the country. We see from [Figure 1](#) that enrollment on the Corvallis campus is essentially flat, and the majority of the growth is in Ecampus enrollment. Though there are small variations in some of these percentages compared to last year, most are approximately the same.

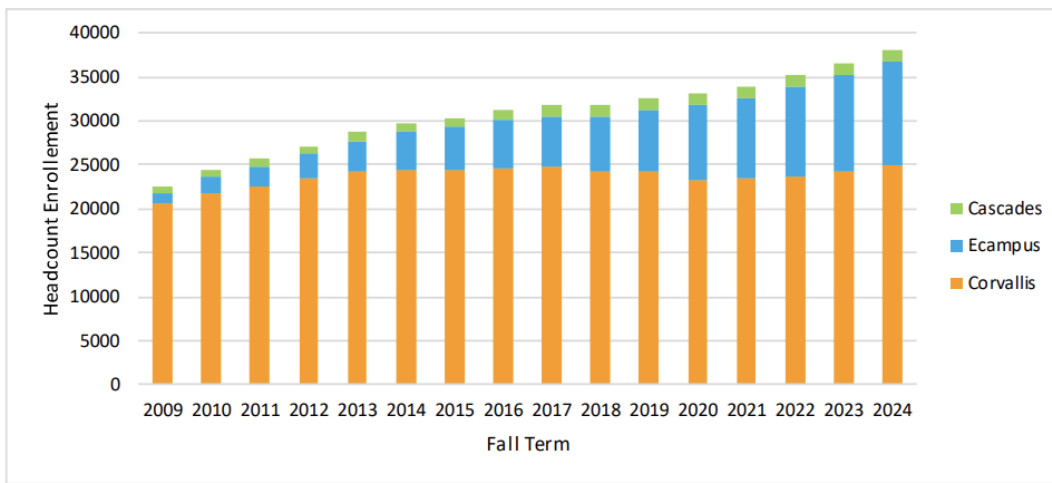
Nearly all categories of enrollment have grown ([Table 1](#)). There was a small drop in the number of international students (-0.8%) and in students who are first-generation in college (-0.6%). Ecampus enrollment is healthy and growing, as seen in [Figure 2](#). Most colleges are seeing growth in undergraduate enrollment ([Figure 3](#)). The College of Engineering, which grew substantially during the last decade, has now begun a phase of slower and more controlled growth. The College of Health has seen significant erosion in undergraduate enrollment over the last decade but has begun to stabilize.

Demand for Ecampus degrees and programs continues to be strong ([Figure 2](#)), and Ecampus continues to be ranked in the top 10 by [U.S. News & World Report](#). Our strategic plan targets growing our Ecampus to 30,000 students by 2030. Actions are underway to drive toward that

goal, including the launch of 30 new programs over the next few years, as well as addressing lifelong learning and non-degree areas.

2014	2019	2023	2024	10 yr % chg	5 yr % chg	1 yr % chg
29723	32774	36636	38125	28.3%	16.3%	4.1%

Headcount Enrollment: Main (two largest components)* and Cascades



*Main enrollment headcounts shown are student primary campus of Corvallis or Ecampus. It does not include smaller locations such as Portland or Eastern Oregon University

Figure 1: Headcount enrollment at Corvallis, Ecampus and OSU Cascades.

Figure 4 shows a modest uptick in the number of international students after multiple years of losses. The percentage of international students continues to fall; it is currently around 6% of total enrollment. Unfortunately, continuing geopolitical tensions and the fallouts of recent federal actions will make recovery difficult for the foreseeable future. Nevertheless, we continue to work through INTO OSU and with international universities to market OSU in high-potential markets.

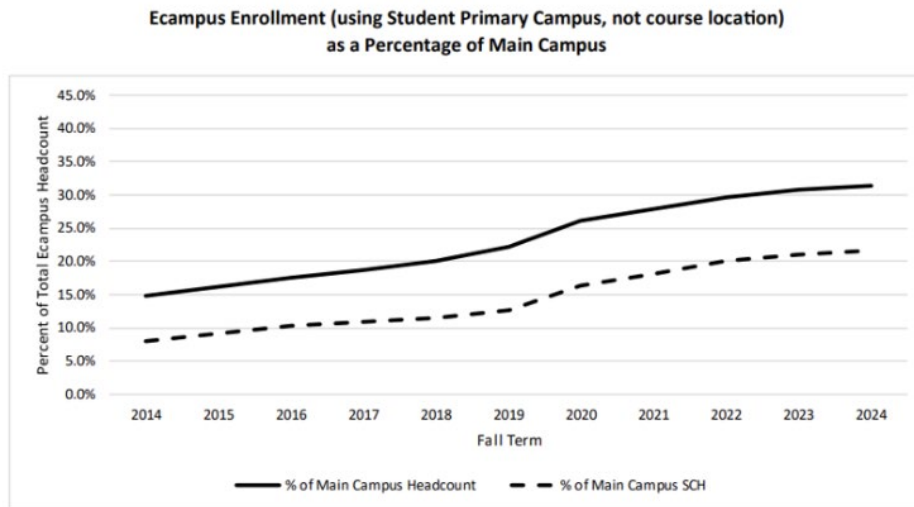
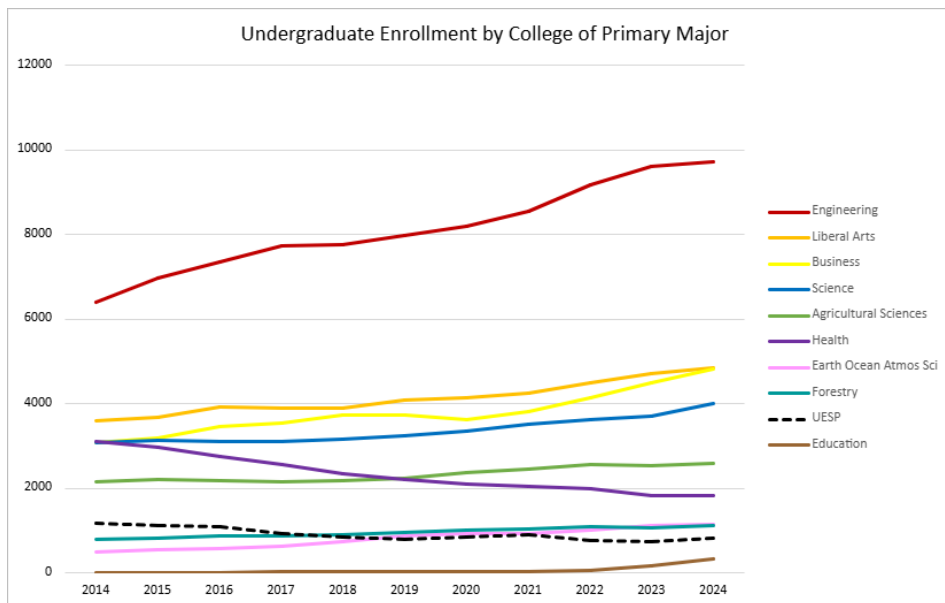
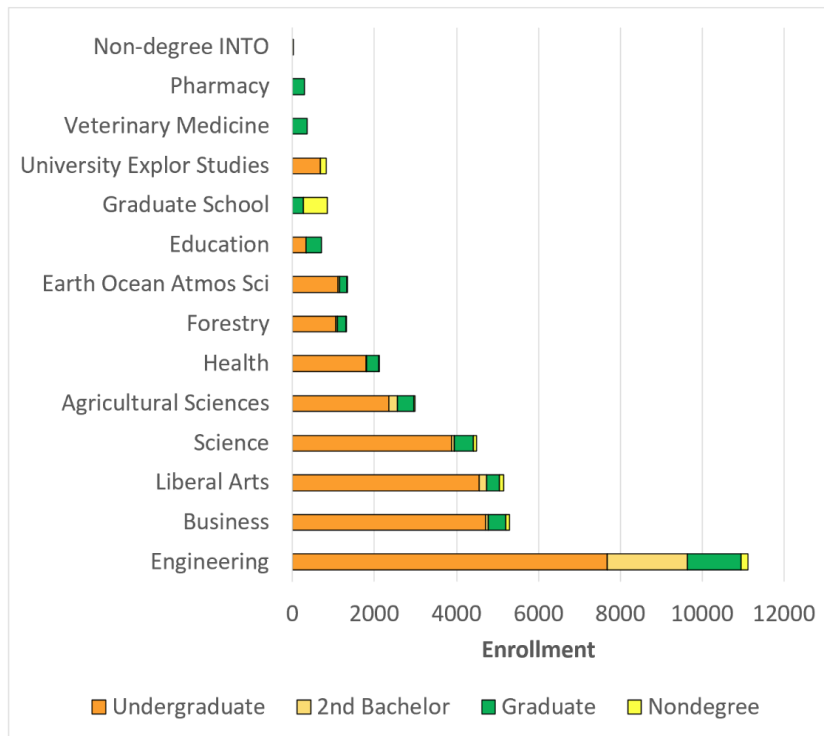


Figure 2: Ecampus enrollment trends.



Figures 3a & 3b: Enrollment trends by college and major.

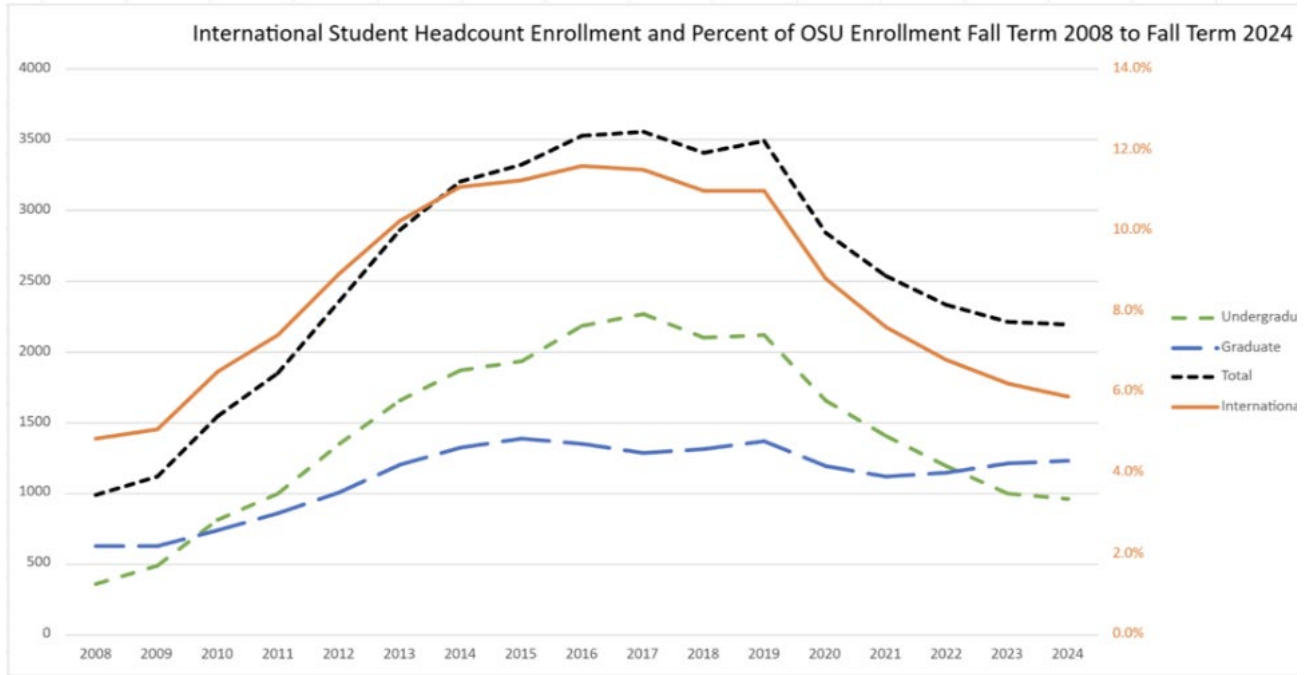


Figure 4: International enrollment trends.



Enrollment Summary MAIN Fall Term 2024 • 4

Headcount Demographics						
	2023		2024		Change	
	Headcount	Percent	Headcount	Percent	Net Change	Percent Change
Undergraduate	30021	84.3%	31253	84.1%	1232	4.1%
Degree Seeking	26598		28138		1540	5.8%
2nd Degree (post bac)	2959		2605		-354	-12.0%
Non Degree	464		510		46	9.9%
Graduate	5025	14.1%	5322	14.3%	297	5.9%
Masters only	2511		2686		175	7.0%
Doctoral	1570		1637		67	4.3%
Non Degree	944		999		55	5.8%
Professional Doctorate*	576	1.6%	588	1.6%	12	2.1%
*Doctoral are PhD/EdD; Professional doctorates are PharmD, DVM, and DPT						
Full-time	24273	68.1%	25610	68.9%	1337	5.5%
Part-time	11349	31.9%	11553	31.1%	204	1.8%
Oregon Resident	17877	50.2%	18295	49.2%	418	2.3%
Non Resident	17745	49.8%	18868	50.8%	1123	6.3%
Women	17546	49.3%	18495	49.8%	949	5.4%
Men	17921	50.3%	18489	49.8%	568	3.2%
Unreported Sex	155	0.4%	179	0.5%	24	15.5%
Students of Color**	10559	29.6%	11202	30.1%	643	6.1%
Underrepresented Students	5370	15.1%	5850	15.7%	480	8.9%
**Students of Color includes Asian and Multiracial but excludes International. Underrepresented students are ethnic groups that attend college at lower rates than their proportion of the US population (Black, American Indian/Alaska Native, Hispanic, Native Hawaiian/Pacific Islander)						
International	2214	6.2%	2197	5.9%	-17	-0.8%
First Generation College % of Undergraduates	7209	24.0%	7166	22.9%	-43	-0.6%
VETERANS						
Total	1527	4.3%	1664	4.5%	137	9.0%
Undergraduate	1325		1424		99	7.5%
% of Undergraduates	4.4%		4.6%			
Graduate/Prof Doctorate	202		240		38	18.8%
% of Graduate/Prof Doctorate	3.6%		4.1%			

Table 1: Student demographics.

Category	First -Year Retention Rate (%)			Six-Year Graduation Rate (%)		
	2021 Entering Cohort	2022 Entering Cohort	2023 Entering Cohort	2016 Entering Cohort	2017 Entering Cohort	2018 Entering Cohort
Female	86.7	86.9	87.8	73.1	72.9	70.3
Male	86.9	88	87.7	67	68.4	69.9
Resident	88.7	88.8	88.7	72	72	71.9
Non-Resident	83.5	85.6	86.4	64.9	67.1	65.9
Pell Recipient	81.1	83.4	82.1	62.1	64.4	63.8
Non-Pell Recipient	88.4	88.5	89.3	73.8	73.2	72.5
American Indian/Alaska Native	50	90.5	77.3	50	40.9	37.5
Asian	91.8	93.4	93.1	77.8	77.2	77.8
Black	76	81.8	75	46.4	52.9	53.5
Hispanic	83	85.9	85	63	65.2	61.6
Native Hawaiian/Pacific Islander	75	75	71.4	53.8	83.3	50
White	87.4	87.7	88.6	71.4	71.6	71.1
International	85	78.7	83.3	63.3	63.8	52.7
University-wide overall	86.5	87.1	87.2	69.9	70.3	69.8

	First -Year Retention Rate (2023 Entering Cohort)	Six-Year Graduation Rate (2018 Entering Cohort)
Agricultural Sciences	88.3%	66.7%
Business	86.5%	70.3%
Earth Ocean Atmospheric Sciences	88.7%	73.6%
Education	88.6%	*%
Engineering	91.2%	73.0%
Forestry	87.4%	77.6%
Liberal Arts	83.9%	61.1%
Public Health and Human Services	87.3%	69.5%
Science	86.9%	71.8%
UESP	79.4%	63.1%
University Wide Overall	87.2%	69.8%

Tables 2a & 2b: Six-year graduation rates and first-year retention rates by demographic category and by college. (*Education degree program did not exist).

	Income Band	2018-19	2019-20	2020-21	2021-22	2022-23
Oregon State University	Under \$30K	\$14.2K	\$15.2K	\$13.2K	\$13.3K	\$13.2K
	\$30K to \$48K	\$15.8K	\$17.2K	\$13.9K	\$14.5K	\$14.4K
	\$48K to \$75K	\$20.3K	\$21.7K	\$16.7K	\$16.8K	\$17.0K
	\$75K to \$110K	\$23.6K	\$24.9K	\$21.3K	\$21.5K	\$22.2K
	Over \$110K	\$24.4K	\$25.4K	\$24.6K	\$24.9K	\$26.4K
Oregon State University-Cascades Campus	Under \$30K	\$10.3K	\$15.5K	\$10.8K	\$10.0K	\$11.8K
	\$30K to \$48K	\$15.1K	\$15.7K	\$14.7K	\$14.3K	\$14.1K
	\$48K to \$75K	\$16.0K	\$20.5K	\$18.1K	\$14.1K	\$15.7K
	\$75K to \$110K	\$18.5K	\$23.4K	\$19.1K	\$16.1K	\$18.4K
	Over \$110K	\$20.4K	\$24.7K	\$23.7K	\$21.8K	\$24.3K

Table 3: OSU net price of attendance.

1.2 Student Success and Graduation Rates

Our most recent six-year graduation rate for undergraduate students (first-year, full-time, entering 2018) is 69.8%. For the class that entered in fall 2023, the first-year retention rate is 87.2%. [Table 2](#) shows six-year graduation and first-year retention rates by student category and by college. The College of Engineering has achieved substantially higher first-year retention rates than other colleges because of recent initiatives. First year retention rates will need to improve to the low- to mid-90% range to achieve graduation rates of 80% or higher. Our strategic plan, [Prosperity Widely Shared](#), emphasizes student success and graduation rates, with a goal of reaching at least 80% for first-year full-time students and closing graduation rate gaps across all groups, both by 2030. Implementation of several critical initiatives is underway, including a new onboarding program for all entering students and setting retention and graduation annual goals by college, and we will share updates on progress in subsequent reports.

1.3 Cost of Attendance

[Table 3](#) shows the average net cost (or price) of attendance at OSU using the most recent (2022-23) [IPEDS data](#). Net price is the cost the student bears per year of attendance and includes tuition and fees, room and board, books and supplies, net of financial aid, grants and scholarships. [Table 3](#) shows the average net cost by family income. OSU has reduced the net cost of attendance over the last few years for our lowest-income students, but the financial burden is still much higher than many of our R1 peers. The high cost of education in Oregon's public universities continues to

be an issue, and we continue to advocate for increases in state funding to support our students. Additionally, in partnership with the OSU Foundation, we have launched a \$50 million student success campaign to increase need-based aid to help Oregon high-need students finish their degrees on time, and with little to no debt.

1.4 Research and Innovation

OSU has experienced steady growth in research awards, research-related revenues and research expenditures in recent years, as detailed in the FY 2024 research annual report. [Figure 5](#) illustrates this upward trend, with only a slight decline of less than 1% in FY 2025. In FY 2024, OSU's research expenditures were \$422 million, an increase of 15% over FY 2023. In FY 2025, research expenditures totaled \$417 million, reflecting a 0.9% decrease from the previous year. In addition, other research and innovation-related contributions from research cooperatives and licensing and royalty revenue were \$5.5 million. [Figure 6](#) shows research expenditures by college for FY 2025. CEOAS, COE and CAS have the largest expenditure, accounting for about two-thirds of the total.

OSU has responded to federal executive orders and directives by helping researchers navigate changes and partnering with internal and external stakeholders to understand and mitigate their impacts. OSU is proactively diversifying its funding portfolio by pivoting toward new research areas and targeting federal agencies, industry, philanthropy and private foundations to a greater degree. OSU has formed an internal working group to better understand the current landscape and to shape these new directions.

However, since OSU started on this exciting and ambitious path, the federal funding landscape has drastically changed for all higher education institutions in the United States. Though there is much uncertainty as of this writing, significant impacts to research awards and expenditures are expected over the next year.

Jen-Hsun Huang and Lori Mills Huang Collaborative Innovation Complex. The Huang Complex is due to be completed by the end of 2026. The last year focused on developing organizational structure and programming to ensure maximum impact. The university is in the process of searching for its inaugural executive director. An important part of the Huang Complex is the NVIDIA supercomputer, which will significantly boost OSU's research computing capability. Accordingly, OSU has established a research computing organization to coordinate supercomputer data center operations, data storage and networking, data security and compliance, as well as fee structures and financial models. Training and support for researchers, as well as governance and consolidation of decentralized computing infrastructures are also being pursued.

The Huang Complex has also unleashed energy around building new institutional-level partnerships with other universities and with several Department of Energy national labs. These partnerships focus on biomedical AI and data sciences, AI-enabled solutions in autonomy and field robotics, shared use of infrastructure, including the NVIDIA supercomputer, and nuclear energy solutions.

Research Advancement Academy and the TERA Solutions Hub. Training and seed funding are critical for PIs who are building new transdisciplinary, cross-college collaborative teams going after large proposals and scaling up their research programs. Over the last year, OSU has established two signature programs that are highly sought after by faculty: the Research Advancement Academy and the Transdisciplinary Research Seed Fund. The Research Advancement Academy is a year-long program to train cohorts of faculty in transdisciplinary approaches who then compete for seed funds to build large proposals. It was launched thanks to two separate gifts from the Wayne and Gladys Valley Foundation, now totaling \$4.5 million, that support 20 early-career faculty in the bio-health sciences with seed funding.

Economic Development and Industry Relations. The newly established Office of Economic Development and Industry Relations supported OSU-led efforts across four major federal proposals focused on workforce and economic development: two current semifinalist submissions to the NSF Technology, Innovation and Partnerships Directorate (each valued at \$160 million) and two Department of Commerce EDA Tech Hub proposals (each valued at over \$50 million) targeting semiconductors/microfluidics and mass timber/affordable housing. Notably, the CorMic Tech Hub, originally awarded \$45 million in January, had its award later rescinded by the new federal administration. However, CorMic was invited to resubmit its proposal for reconsideration this year, and we await a decision on final selection as of this writing. OSU continues to build strategic industry partnerships, such as those with HP, Intel, NVIDIA and Lam Research. We continue to work with the state in bringing federal funding to Oregon, and in helping shape the state's economic future through participation in the Clean Energy Task Force, which was launched by Senator Ron Wyden and Governor Tina Kotek following the success of the previous year's task force on semiconductors. OSU is also currently undertaking the APLU IEP designation process, which provides a university wide opportunity to align and elevate OSU's innovation, talent and place-based economic engagement.

Looking ahead, OSU is supporting place-based innovation through two different initiatives. The first seeks to establish the feasibility of developing an innovation district at OSU Cascades. This year we will reach major milestones, including developer solicitation, faculty engagement in partnership development, and the establishment of district governance structures. Separately, in partnership with the Oregon Business Council, University of Oregon, and industry and community partners, we are exploring the feasibility of developing a research and innovation corridor in the southern Willamette Valley, leveraging the research and innovation talent of the state's two major research universities.

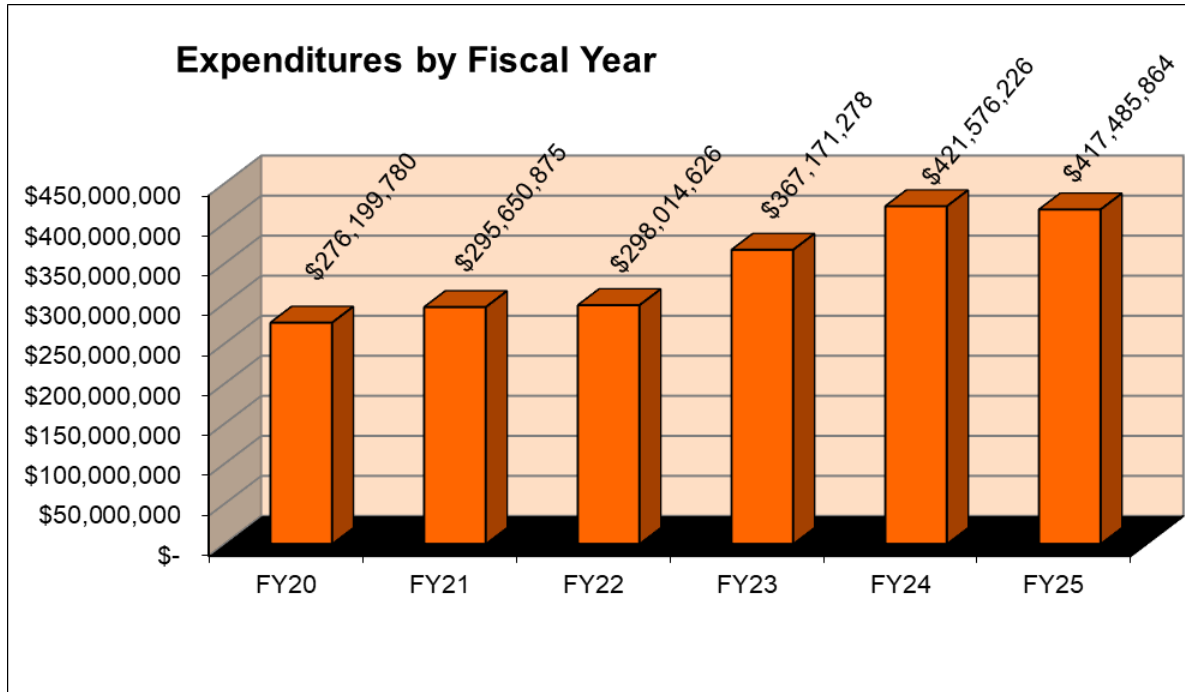


Figure 5: Research expenditures.

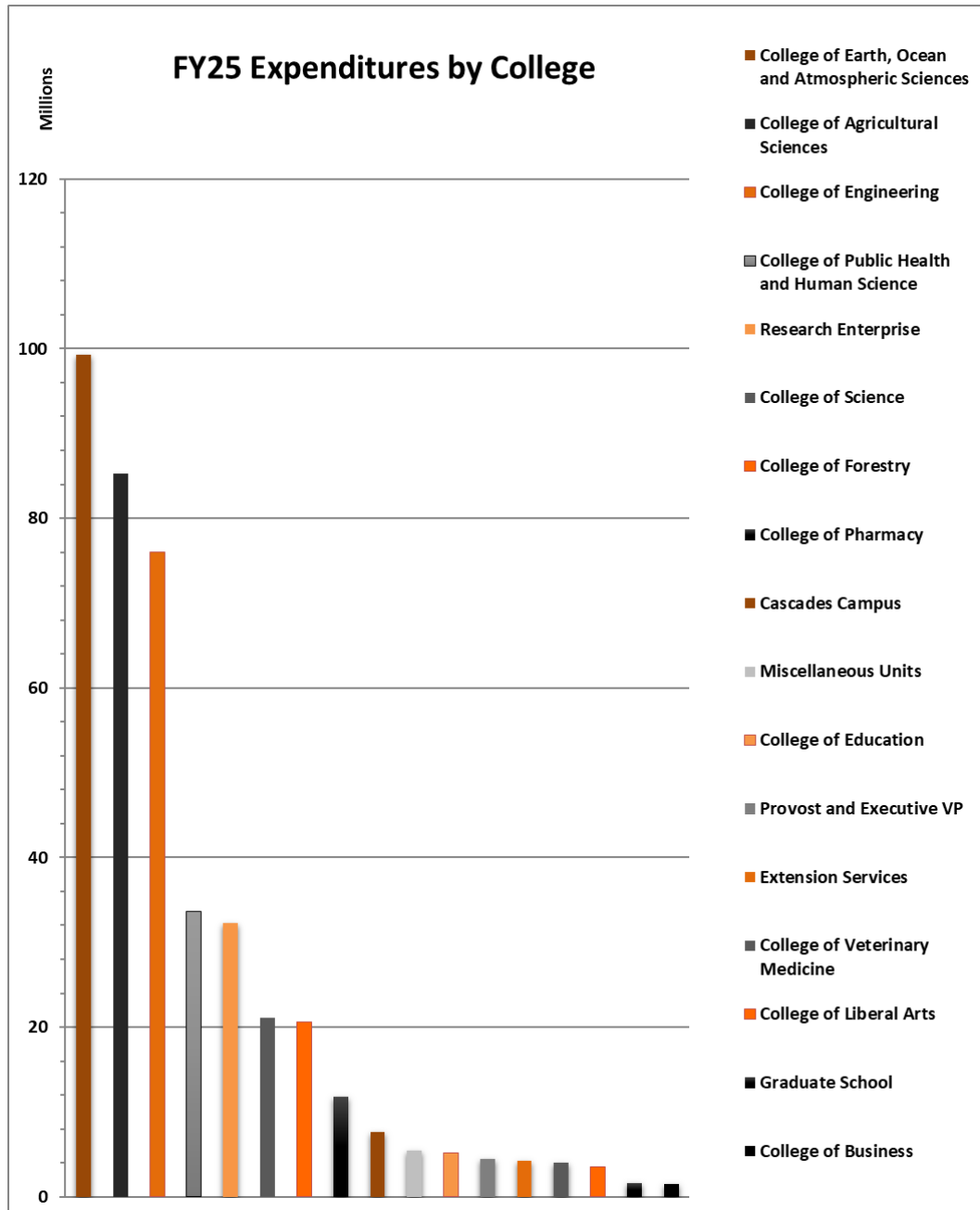


Figure 6: Research expenditures by college or unit.

HECC Budget	Requested	Received
Public University Support Fund	\$1.275B	\$1.068B
Oregon Opportunity Grant	\$458M	\$329M
OSU Statewide Public Service Programs	\$206M	\$196.60
Outdoor School	\$60M	\$48M
Oregon Tribal Grant	\$26M	\$26M
Capital Construction		
Capital Improvement & Renewal	\$120M	\$120M
STEM Learning Center	\$73M	-
OSU-Cascades Health & Rec Center	\$42M	-
OSU Specific Programs		
College of Veterinary Medicine	\$13.5M	-
Early Child Education Workforce	\$20M	-
PFAS Biosolids Study	-	\$410K
AgriStress Helpline	\$2M	\$200K

Table 4: State funding obtained during the long session of the 2025-27 biennium.

1.5 Legislative Priorities

State Legislative Priorities. This past May, for the first time in years, Oregon’s Office of Economic Analysis projected a decline in expected quarterly revenue, with over \$700 million less than previously forecast. Additionally, unpredictable market conditions and unresolved questions around federal tariffs have made forecasting especially difficult. This budget uncertainty directly impacted many university requests this past legislative session.

[Table 4](#) summarizes the funding Oregon public universities requested and that we received. Continued programmatic investments in public universities were maintained at current service levels (7%) and mostly aligned with the governor’s recommended budget. While this was below our requested investments, it was the funding level the university had budgeted for and secures critical investments to support our mission of education, research and public service across the state. However, key requests for the Carlson College of Veterinary Medicine, early childhood education, and capital projects on OSU campuses were not funded.

The legislature included a budget note as part of Higher Education Coordinating Commission budget that directs HECC to conduct, in consultation with universities, a comprehensive review of university spending, efficiency and revenue strategies to inform future funding models and ensure that public universities can continue to deliver quality education while remaining financially viable. In August, HECC delivered a draft report to the universities for feedback. We note that Oregon's public universities are quite different from each other, and their academic, financial and operational strategies are distinct. We will work with HECC to ensure that OSU's vision and mission, our strategic plan, our success in maintaining enrollment, and our commitment to administrative efficiency and financial stability are correctly reflected in the report.

Nominations for open positions on OSU's Board of Trustees were made earlier in the year, and the governor recently approved OSU's nominations. As of this writing, we await legislative action to approve the slate of new appointees. The governor will send forward the nominations of one at-large member, one student, and one employee for Senate confirmation later this fall.

Federal Legislative Priorities. In FY 2024 appropriations, enacted in March 2024, OSU was successful in advocating for targeted funding objectives for the university community, and we were active in collaborating with national partners to help protect federal research and higher education programs of broad importance. FY 2025 was a challenging year because investments were cut overall across the federal research enterprise, and key federal financial aid programs generally held level.

OSU advocacy in FY 2025 appropriations directly influenced the designation of more than \$108 million in federal enacted spending toward OSU's research activities focused on Oregon communities. OSU was successful in securing sufficient funds to complete construction of PacWave, the Department of Energy-supported offshore grid-connected wave energy test facility. The final enacted bill included \$22 million for construction, as well as \$30 million in funds directed for foundational research and operations at the National Marine Energy Centers, including OSU's Pacific Marine Energy Center. OSU was also successful in protecting more than \$28 million in funds for the Department of Agriculture to partner with OSU across Oregon on agricultural research activities important to our communities and industry partners statewide. With support from Oregon senators, OSU faculty secured a congressional earmark of \$1.086 million to advance a fisheries vulnerability assessment related to offshore wind.

The FY 2025 appropriations process is now underway. Congress will likely limit spending again, and this will continue to constrain meaningful growth in the federal research and education enterprises. OSU will advocate vigorously to protect investments important to OSU's mission and will focus on opportunities that help to advance our strategic goals established in [Prosperity Widely Shared](#).

1.6 Mission and Impact

Oregon State University's statewide impact reaches every county and Tribal Nation in Oregon, materially strengthening the state's economy and advancing prosperity for all. In 2024, OSU's [total economic contribution](#) exceeded \$3.5 billion, returning \$13.18 in value for every \$1 of state investment, and supporting more than 22,000 jobs.

Extension and Engagement. Through the Division of Extension and Engagement, OSU mobilized expertise to meet local priorities, from food security and youth development to wildfire readiness and recovery. More than 8,000 volunteers extended OSU's reach, including more than 116,000 documented hours of service between the Master Gardener and Oregon Naturalist programs alone. The Open Campus Juntos program continues to deepen college-going pathways for families statewide, now operating in 34 communities across 20 Oregon counties. Since 2012, Juntos has served 7,200 students and families with a more than 90% high school graduation rate among participants. Another milestone: in June 2025, the Multnomah County Board unanimously approved ongoing county support for Extension, restoring a partnership paused since 2002 and laying groundwork to expand programs in Oregon's most populous county. With this important development, all 36 Oregon counties now support local Extension activities.

Portland Engagement and Access OSU. Oregon State University's enduring commitment to the Portland metro area is rooted in its land grant mission and amplified through strategic investments in education, research and community partnerships. With nearly 500 OSU-connected professionals living and working in the region and an annual economic impact exceeding \$475 million, OSU's presence spans key sectors, including food and beverage, public health, semiconductors, and youth engagement. Anchored by facilities such as the Food Innovation Center, the College of Pharmacy and Extension offices across three counties, OSU's presence reflects a sustained and adaptive approach to regional engagement. The university's strategic plan, [Prosperity Widely Shared](#), guides its efforts to align assets, foster collaborative decision-making and amplify impact through intentional storytelling. In the year to come, the Portland Action Plan Task Force has outlined three priorities to sustain and expand the university's impact in the region: catalyzing economic development, promoting educational access and workforce development, and integrating storytelling and engagement. These priorities include enhancing our long-standing partnership with the Portland Metro Chamber, launching targeted workforce education strategies and expanding internship pipelines to prepare graduates for high-opportunity sectors.

Access OSU is a cornerstone of OSU's engagement in the region. Through this program, the university continues to expand partnerships with Portland-area community partners and school districts to build durable pathways to higher education within communities that frequently encounter barriers. Since its launch in summer 2023, *Access OSU's* partner units — the Office of Institutional Diversity, Division of Student Affairs, Division of Extension, and Engagement and Enrollment Management — have collaborated to partner with more than 25 community-based organizations and have hosted events reaching more than 4,000 students and families in the Portland metro area. In the last year alone, more than 1,500 students from Portland have visited

the Corvallis campus through Access OSU to participate in interactive STEM activities, tour OSU cultural and academic support centers and engage in programs like Summer Stay, which lets high school students experience college life in the residence halls. These efforts are anchored by a 13-member Access OSU Advisory Board, comprised of community and industry leaders, that works closely with OSU administrators to continue growing the impact of the program.

OSU-Cascades. Land remediation for the first eight acres of the future 24-acre Innovation District at OSU-Cascades is now complete. The Innovation District will provide unique opportunities to expand research, spur commercial innovations and expand student experiential learning within industries advancing Central Oregon's economic and workforce priorities. Infrastructure work is underway, and the campus launched a national search for a Phase 1 master developer in August 2025. A new analysis found that OSU-Cascades generated \$89.9 million regional economic impact in 2024 — a figure that will grow significantly with the development of the Innovation District.

NAGPRA and Tribal Relations. OSU continues to provide state and national leadership in the implementation of the federal Native American Graves Protection and Repatriation Act. After opening the first known purpose-built NAGPRA facility at an American university last fall, work has continued to advance the pace of repatriations through multiple, ongoing consultations with Tribal Nations in Oregon and throughout the country. Currently, the university is working closely with Tribal Nations in Oregon to identify an appropriate intertribal repatriation site that would allow for respectful and culturally appropriate repatriation of human remains and sacred objects where individual Tribal affiliation is difficult. The development of this site is a novel approach to a long-standing challenge in Oregon and nationally given the history of Tribal recognition, termination and restoration. OSU continues to receive inquiries from Tribes and institutions around the country to learn more about OSU's NAGPRA efforts. Furthermore, we will prioritize leadership visits and engagements with Tribal leaders in FY 2026, starting with our local region and expanding engagements throughout the state.

Mission and Impact Portfolio. Finally, in July 2025, OSU launched the new Mission and Impact portfolio, led by Vice President Scott Vignos, to accelerate the university's delivery on its land grant mission through strategic alignment, institutional innovation and a core commitment to inclusive excellence. The portfolio includes the Office of Institutional Diversity, the Office of Equal Opportunity and Access, and the Native American Graves Protection and Repatriation Office, and it adds a strategic initiatives function to advance complex, cross-domain priorities. By integrating these efforts, the Mission and Impact portfolio strengthens coordination across OSU's teaching, research and engagement functions and will serve as a catalyst for partnerships that amplify the university's impact statewide.

1.7 Major Administrative and Capital Projects

Administrative Modernization Program. The Administrative Modernization Program is on track to replace the university's 34-year-old core administrative systems for human resources, finance, budget, procurement and post-award grant management, which includes core enterprise resource planning and 27 applications. The total estimated one-time cost to implement AMP is \$81.3 million, and program spending is tracking 7.7% below planned expenses as of July 2025.

AMP anticipates yielding cost savings of approximately \$10.8 million per year by FY 2028. Organizational change management continues to lead our efforts in AMP with a focus on ensuring that the OSU community is informed and engaged throughout the process. Project teams are supported by AMP's governance structure and are empowered to escalate issues as appropriate. All AMP initiatives are grounded in [AMP Guiding and Design Principles](#). The AMP Steering Committee has been critical in shaping the design of administrative processes, for example, in areas such as compliance and effort certification. The OSU Board of Trustees received an update in November 2024 and again in May to share progress, success and challenges.

Capital Projects

I describe below the status of capital projects in excess of \$50 million.

Withycombe Hall. Renovation was completed in June 2025 and brought the building up to modern standards for the departments of Animal and Rangeland Sciences and Food Science and Technology. The building is composed of two distinct wings connected by a corridor with a large 230-seat auditorium. New research laboratories, offices and meeting spaces were constructed in the west wing. The east wing saw the construction of a new dairy processing pilot plant (creamery), a wine pilot plant, classrooms, including two general purpose classrooms. In addition, a new Beaver Classic Store has been selling ice-cream, cheese and meat products produced by OSU College of Agricultural Sciences students. The building has been open to the public since June 2025.

Development of the OSU-Cascades campus. The 17,500 square-foot Student Success Center opened to students in early 2025. This \$21.75 million building houses spaces for study and tutoring, arts presentations, informal gathering and student programming, along with space for staff who are critical to supporting student success including academic and career advising, health and wellness counseling and student government. Prior to the 2023 groundbreaking, students worked with Oregon legislators to secure state matching funding and voted to raise a total of \$5 million in student fees for the space and enhanced success services. Phase 2 of the OSU-Cascades land development project laid the foundation for the future Innovation District. The project budget of \$36 million was covered by state general funds and OSU-paid bonds, as well as loans and grants from the EPA and Business Oregon. The Phase 2 land development project was completed in spring 2025.

PacWave Energy Test Facility. Approved for construction in 2020, PacWave is the nation's first grid-connected wave energy test site designed to evaluate full-scale wave energy converter

performance, environmental interactions and survivability. Situated roughly seven miles offshore south of Newport, the site is linked to an onshore monitoring facility by four subsea cables spanning 10 to 13 miles each. The \$140 million project was funded through the U.S. Department of Energy and private contributions. Construction finished in early 2025, and in July the U.S. Secretary of Energy authorized PacWave's transition into its operational phase, anticipated to begin later this year.

Jen-Hsun Huang and Lori Mills Huang Collaboration Innovation Complex. The Huang Collaborative Innovation Complex will host OSU's most advanced research infrastructure, including a supercomputer, clean rooms and signature research centers supporting team-based interdisciplinary research in some of OSU's most distinctive fields. The \$213 million project is funded by state-paid bonds, gifts and renovation funds, and it includes demolition of the 211,000-square-foot Weniger Hall, removing \$70 million from OSU's deferred maintenance backlog. With more than \$200 million in planned public and private investments in facilities, equipment and programs, the Huang Complex will help propel Oregon State's mission to pursue groundbreaking solutions for the betterment of humanity, the environment and the economy. Begun in 2024, construction of the complex successfully reached its structural "topping out" milestone during the week of July 14, 2025, marking completion of the building's final framework element. The project remains firmly on track for substantial completion in December 2026, enabling OSU to initiate fit-out and begin research operations as scheduled.

Corvallis Campus Housing and Dining Vision Phase I. In July 2025, the board approved a total project budget of \$189.9 million to construct a new student living center, make improvements to area infrastructure and develop a dining support facility located off campus. The 175,000 square-foot student living center will add 680 beds to the Corvallis inventory and remove approximately \$5 million from OSU's deferred maintenance backlog by demolishing three structures. The Phase I Housing and Dining Center would begin to address OSU's limited capacity for on-campus housing. Subsequent to the board's approval, university leadership decided to postpone the construction of the UHDS Phase I project to proactively address the exceptionally high degree of uncertainty and volatility currently facing higher education. Given likely challenges in the years ahead, including uncertainty of federal funding, increased personnel costs, an increasingly competitive enrollment landscape, and other contingencies, OSU leaders have decided to temporarily pause new large-scale projects at OSU as we work to better understand the impacts of this shifting landscape. The specific financing and construction of individual projects will continue to be evaluated based on prevailing conditions.

Deferred Maintenance Backlog. OSU's Educational and General deferred maintenance backlog, which is the sum of building components overdue for replacement or renewal, is estimated to be approximately \$598 million at the end of FY 2025. To address this, the 10-Year Capital Forecast, which has been presented to the Board of Trustees, is focused on major building renovations, mid-life building-wide systems renewals and building systems replacements. The 10-Year Capital Forecast anticipates removal of an estimated \$346 million in deferred maintenance. The backlog is expected to be approximately \$552 million by FY 2033. This number includes about \$60 million per biennium of headwind costs from the continued aging and cost escalation of buildings.

1.8 Financial Status of the University

Oregon State University remains financially stable, though we are navigating a complex and rapidly evolving landscape. The university's Aa3 credit rating, reaffirmed by Moody's Investors Service in May 2024, reflects our sound fiscal management. However, Moody's continues to assign a negative outlook to the entire higher education sector, citing federal funding uncertainties, restructuring within the U.S. Department of Education and potential disruptions to federal student aid programs. These national pressures compound the internal fiscal challenges OSU faces, requiring deliberate and strategic planning to maintain financial sustainability.

Enrollment Trends and Revenue Forecasts. Enrollment growth continues to be a bright spot, especially through Ecampus, which aligns with OSU's long-term strategic vision. However, Corvallis' undergraduate enrollment is expected to grow more modestly due to housing limitations. OSU-Cascades and graduate/professional programs also show slower growth trajectories. International enrollment is expected to decline based on challenges to student visa requirements and changing international markets.

The university's financial model assumes steady tuition increases, including a weighted undergraduate increase of 4.9% from FY 2026 to FY 2028, and 3.5% in subsequent years. Rate increases for most graduate programs are anticipated to align, though more gradual adjustments are planned for resident and Ecampus graduate tuition to preserve market competitiveness. Despite these planned increases, we face significant constraints: scrutiny over resident tuition hikes and intensifying price sensitivity in national markets.

State Funding Risks and Budget Realignment. Persistent underfunding at the state level remains a core challenge, exacerbated by Oregon's shifting demographics and flat or declining public investment in higher education. OSU's FY 2026 budget planning addressed this imbalance through a community-wide effort to realign expenses with expected revenues, ensuring the university remains on a sustainable trajectory. This budget realignment included measures to balance the projected imbalance, along with the creation of funding pools to support financial stability and strategic investment opportunities.

Key Financial Performance Indicators. OSU's financial key performance indicators continue to track within board-established thresholds, with the exception of the EBIDA margin and debt service coverage ratio, the latter of which dipped in FY 2024 due to a scheduled \$40 million principal payment. While OSU has adequate reserves to buffer some volatility, the growing gap between revenue and expense growth underscores the need for ongoing discipline and adaptability in long-term planning.

Athletics and Pac-12 Realignment. The impacts of the Pac-12 realignment have been significant. In FY 2024–25, OSU increased Education and General Fund support to athletics by \$9.3 million. Though this increased support creates tension with competing investment needs across the institution, particularly those that advance priorities in [Prosperity Widely Shared](#), we believe this investment is necessary to remain nationally competitive and to position OSU for stronger media rights revenue opportunities.

Conference realignment, revenue-sharing agreements, transfer portal impacts and the recent *House* settlement will create ongoing cost pressures for OSU Athletics. Athletics has established working groups to address both revenues and costs, focused on exploring areas such as personnel adjustments, organizational restructuring, operational efficiencies and targeted program reductions in strategic areas. Furthermore, the *House vs NCAA* settlement approved by the court in June of 2025 significantly alters the Name, Image and Likeness landscape of college sports by allowing schools to directly pay student-athletes for NIL, capped at \$20.5 million per university in the first year. While OSU will not be in a position to reach that cap, new NIL payments will be required to keep OSU competitive, and this places additional pressure on OSU Athletics.

Fiscal Stewardship and Outlook. The university's portfolio-based debt strategy has served OSU well, with all long-dated debt structured with a 10-year par call, providing future flexibility to refinance as market conditions evolve. Given recent interest rate shifts, we anticipate future issuances may be structured differently to preserve a low blended cost of capital.

Looking ahead, OSU will continue leveraging its 10-Year Business Forecast as a critical decision-making tool — balancing proactive investment in strategic initiatives with the imperative to maintain financial health. While risks remain, particularly in research funding, tuition sensitivity and state support, our planning framework positions us to respond decisively and maintain the university's trajectory of excellence and impact.

1.9 University Relations and Marketing

In its first year as a reorganized division, University Relations and Marketing made significant progress toward achieving the university's long-term goal of building the OSU brand and reputation as one of the nation's leading land grant universities. In addition, URM plays a critical role in improving marketing and communications outcomes and efficiency through stronger centralization and coordination across colleges and divisions. Thanks to meaningful collaborations with college- and unit-based teams, OSU maintained its position as the leading higher education brand in Oregon while still finding room for growth when compared with peers nationally ([Figure 7](#)).

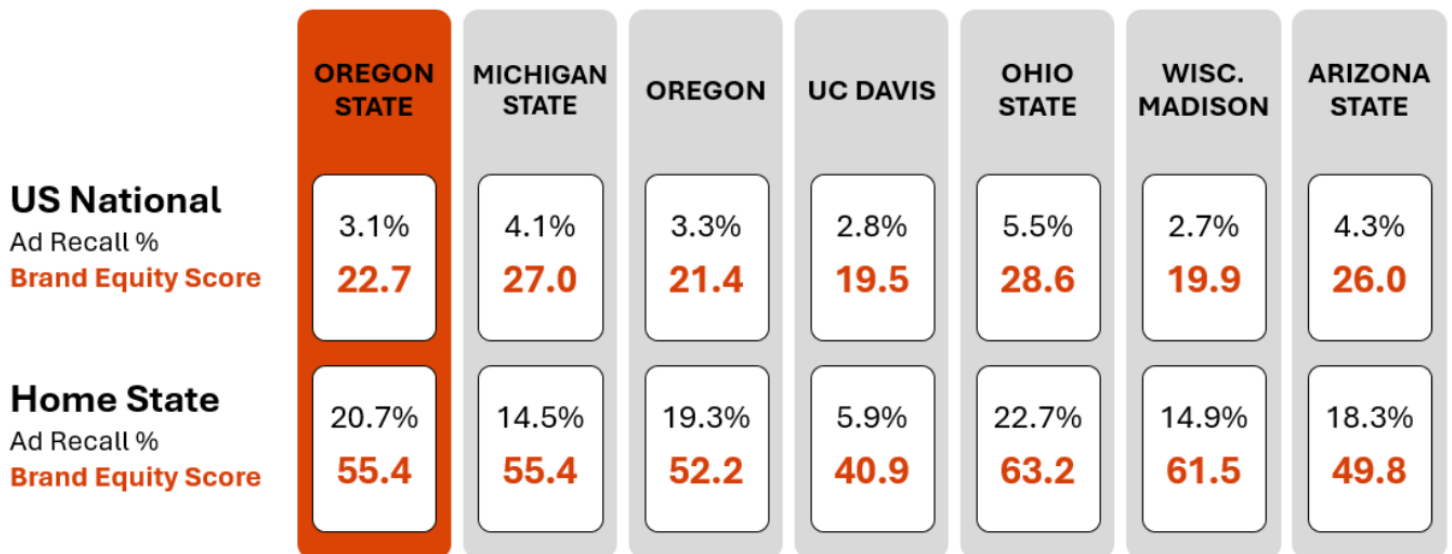
With an increased emphasis on national media coverage for [Prosperity Widely Shared](#) themes, in FY 2025 OSU earned an estimated 145 million unique views in outlets including CNN, NY Times, LA Times, Washington Post, USA Today, Reuters, AP, Bloomberg, PBS, Science, The Atlantic and The Guardian. On LinkedIn, Facebook, X and Instagram, OSU increased year-over-year impressions by 33%, driving 1.2 million engagements and growing 48,000 additional followers in FY 2025. With improved brand licensing capability, URM generated \$1.7 million in gross licensing revenue, an 18% year-over-year increase.

In collaboration with the College of Engineering, URM launched a multichannel multiyear campaign promoting OSU's reputation in [robotics and AI](#), delivering more than 6 million paid impressions through July 2025. In collaboration with the Division of Finance and Administration, URM commissioned and promoted the university's first [statewide economic impact report](#) since 2017 in time for the 2025 legislative session. Finally, URM created efficiencies in university

marketing and communications staffing through formal integrations with PRAx, the OSU Portland Center, OSU-Cascades and CEOAS, with initial savings of 4.0 FTE.

In the year ahead, URM will continue this journey with the goal of improving outcomes and efficiency in strategic enrollment management and recruitment marketing in collaboration with Admissions and Ecampus. In addition, URM will collaborate with college- and unit-based teams on an OSU brand refresh, onboard a new agency of record for media buying, and develop new shared platforms, including a digital asset management system. In collaboration with Athletics, URM will build the Beaver brand and help position OSU within the new Pac-12 and beyond.

BRAND STRENGTH



Source: The Harris Poll [General Population: 7/1/24 – 6/30/25]
 Brand Equity: Composite average of Momentum, Consideration, Quality and Familiarity.

Figure 7: OSU’s national and home-state brand strength

1.10 Institutional Actions to Address Divisive Campus Issues

The past two years have seen significant university engagement on issues related to the crisis in Gaza, Israel and the Middle East, significant debate around a variety of political and social issues, and considerable concern about federal actions, especially around research funding and student financial support.

Israel/Gaza. With respect to the conflict in Israel and Gaza, the university took a proactive approach to engage the university community in dialogue around an incredibly difficult topic and issue. In spring 2024, the university [launched four committees](#) to examine the university's approach to investment and procurement through the lens of its values and mission and to propose opportunities for learning and engagement around the crisis in Israel and Gaza that approached the issue with care, recognizing the significant and long-standing complexity of the topic. These committees, composed of OSU students and employees representing diverse viewpoints and perspectives, met and engaged the university community throughout the 2024-25 academic year to develop recommendations that will be presented for consideration to OSU leaders and the wider community in fall 2025.

Free Speech/Academic Freedom. OSU has also worked diligently to promote dialogue and debate across differing opinions as a core element of our land grant mission. As an example, *Democracy in Action: A Lecture Series on American Pluralism*, launched last year to bring scholars exploring diverging viewpoints to OSU. Last fall, the university welcomed professors Nick Jacobs and Dan Shea who discussed findings from their book *The Rural Voter*, based on the most comprehensive study of rural voting attitudes to date. Their findings challenge conventional wisdom on these voters and reveal underlying biases in the dominant narratives of rural communities. During winter term, scholars Reza Aslan and Aaron J. Hahn Tapper explored the history of Muslim and Jewish community relations in the American context. In the spring, professor and author Patrick Deneen visited OSU to discuss his hypothesis that liberalism has failed, requiring a rethinking of higher education, community values and democracy itself. This series will continue in the coming year.

Additionally, the university continues to bolster its efforts to develop the awareness and skill of OSU employees to navigate the most contentious and important issues of the day. The OSU Committee on Freedom of Expression and Academic Freedom developed comprehensive resources and curriculum to orient OSU community members to the importance of cultivating robust dialogue and debate in educational settings. Attended by more than 100 faculty, representatives from the Office of Institutional Diversity, Division of Academic Affairs and the Office of General Counsel held a panel moderated by Faculty Senate President Andrew Valls exploring the university's academic freedom policies and providing recommendations for navigating instruction of controversial topics.

Finally, the university also launched a series of interactive workshops last spring to ensure OSU employees understand their responsibilities and legal obligations related to noncitizen students and employees. Over 400 employees participated in these trainings, which are supported by

comprehensive and regularly updated resources available on the [Immigration Beavs](#) website. These efforts will continue and expand over the next year.

Section 2: Progress on Strategic Goals and Goals for FY 2026

In this section, I describe progress in achieving the university's strategic goals and our plans for FY 2026. Additional information on current statuses and progress may also be found in Section 1.0.

2.1 Implement and Track *Prosperity Widely Shared*

Following the adoption of [Prosperity Widely Shared: The Oregon State Plan](#) by the Board of Trustees in October 2023, the university has moved quickly to put the plan into action. The plan provides a clear framework for advancing OSU's mission through 2030. It is anchored by three ambitious goals:

- A university focused on big discoveries that drive big solutions.
- A university where every student graduates.
- A university that fuels a thriving world.

These goals are measured by five key targets:

- Increase annual research expenditures to \$600 million.
- Raise the six-year graduation rate to 80%.
- Equalize six-year graduation rates across all student communities.
- Grow online enrollment to 30,000 students.
- Expand enrollment at OSU-Cascades to 2,200 students.

OSU has made significant progress toward these targets, even as the higher education landscape experiences considerable headwinds.

Goal 1. A university focused on big discoveries that drive big solutions

[Prosperity Widely Shared](#) seeks to strengthen OSU's position as an R1 research university. We have prioritized four research focus areas: climate science, clean energy, robotics and integrated health and biotechnology. Artificial intelligence, research computing and data science underpin much of the work in these areas.

Nationally, rapid shifts in federal research policy have reshaped the funding environment for universities. While these changes have affected OSU, the university has acted quickly to sustain its research enterprise and reposition itself to leverage its distinctive strengths. While working diligently to maintain the rapid pace of ongoing faculty research, OSU is simultaneously advancing strategic clusters of expertise to align with the emerging needs and priorities of funders, including industry partners, private foundations and federal agencies.

A centerpiece of this effort is the development of the Jen-Hsun Huang and Lori Mills Huang Collaborative Innovation Complex, which will establish OSU as a global leader in AI-powered

solutions at the intersection of research, economic development and national security. Construction on the Huang Complex is well underway on the Corvallis campus. The game-changing facility will expand OSU's reach and impact for years to come.

The first of several cluster hiring efforts will launch during this academic year. This targeted hiring initiative will seek to recruit at least four new tenured or tenure-track faculty in the areas of robotics and AI. The hires will be coordinated across several colleges and include supporting funds from the Provost's Office.

Goal 2. A university where every student graduates

Guided by the Every Student Graduates committee, leaders across colleges and student support units have coordinated to develop multidisciplinary strategies for boosting retention and completion.

A redesigned New Student Onboarding program now provides first-year and transfer students with a strong foundation through early advising, resource navigation and community-building. Implemented at both the Corvallis and OSU-Cascades campuses, the program equips students to thrive from their first term forward, laying the groundwork for ongoing success.

Student success efforts are reinforced by the Finish in Four campaign, in partnership with the OSU Foundation. With a bold goal of eliminating unmet financial need for every OSU student, the campaign has already attracted more than \$7.91 million in commitments. Together, these initiatives, and many others, work in concert toward an 80% six-year graduation rate and equalized outcomes across all student communities.

Provost Roy Haggerty has launched a First Year Registration and Retention task force with the ambitious goal of raising first-year retention by four percentage points from Fall 2025 to Fall 2026. The task force is mobilizing faculty, advisors, student affairs staff and academic leaders across every college to create an integrated first-year onboarding and registration system that keeps students on track term to term. This work is not optional — it is essential to achieving our mission that *every student graduates*. The university is aligning advising, course availability, financial aid and student engagement efforts behind this initiative, with the shared understanding that failure is not an option. Success will mean not only more students persisting into their second year, but also measurable progress toward OSU's 2030 graduation targets and toward a culture in which every student's success is OSU's highest priority.

Goal 3. A university that fuels a thriving world

OSU continues to strengthen its role as an engine for economic vitality in Oregon and beyond. The university recently applied for the Association of Public and Land-Grant Universities' Innovation and Economic Prosperity designation, a national recognition of universities with exceptional economic and community impact. This milestone anchors OSU's emerging strategy for economic development and industry engagement.

With \$3.5 billion in annual economic impact, OSU's economic development efforts span the state. Highlights include:

- Advancing the Innovation District at OSU-Cascades, including completed remediation of a 24-acre site adjacent to the OSU-Cascades campus and launching an RFP for its first-phase master developer.
- Leading development of the Southern Willamette Valley Regional Innovation District with the University of Oregon, bringing together industry, state and regional partners to attract emerging industries to the region.
- Launching a semiconductor sector strategy and expanding OSU's food and beverage innovation portfolio, particularly in the Portland metro area.

These efforts expand OSU's existing impact and advance [Prosperity Widely Shared's](#) goals of generating prosperity across the state and beyond.

Looking ahead to the next year, [Prosperity Widely Shared](#) has provided OSU with a unifying vision and ambitious targets that guide innovation and progress across the research, student success and economic impact domains. Despite external challenges, including shifts in federal policy, rising costs for students and economic uncertainty, OSU is continuing to forge ahead with adaptability, focus and momentum. The initiatives underway are laying a strong foundation for the years ahead. By advancing cutting-edge discoveries, ensuring every student can succeed and enabling prosperity across Oregon and beyond, OSU is well positioned to deliver on the promise of [Prosperity Widely Shared](#) by 2030.

2.2 Advance Capital Campaign

FY 2025 was a milestone year for fundraising and engagement. Working in partnership with the OSU Foundation, we raised \$1.538 billion toward the \$1.75 billion goal of our Believe It campaign. FY 2025 was our second-best fundraising year ever. We raised \$202.87 million in gifts and pledges, including 29 gifts in the \$1 million to \$4.99 million range, for a total of \$60 million. We surpassed the annual \$200 million fundraising milestone for the second year in a row and the third time ever. FY 2025 also marked the year when our endowment's market value crossed the \$1 billion milestone for the first time. Per the National Association of College and University Business Officers, in FY 2024, there were a total of 143 universities in the U.S. with endowments of \$1 billion or more. Only 60 of those were public universities, and only a few are land grant universities without medical schools.

Importantly, donors have thus far given \$362.3 million toward our \$500 million goal for Student Success (72.5% of goal), with \$41.3 million given in FY 2025. This includes \$7.91 million raised toward our \$50 million goal for Finish in Four, our signature fundraising program to support the student success goals of [Prosperity Widely Shared](#). FY 2025 was also a record year for the total number of annual gifts under \$1,000, broadening our base of donors and friends. Dam Proud Day was once again a resounding success, having raised a total of \$3.4 million, compared to \$2.7 million the previous year.

Looking ahead to FY 2026, we will continue to work with the OSU Foundation to achieve the campaign fundraising goal of \$1.75 billion in the two years that remain in the campaign. We will prioritize meaningful engagement with donors and build deeper relationships with our alumni. The focus of our fundraising will be initiatives that support [*Prosperity Widely Shared*](#), including recruiting and retaining top faculty, leveraging the Huang Complex, supporting research in signature areas such as robotics and AI, fully funding Finish in Four, and achieving our ambitious graduation rate goals. We will continue to make OSU an engine for economic development in Oregon, leveraging our Economic Development and Industry Relations Office, the OSU Foundation, Beaver Caucus, and business stakeholders across the state.

2.3 Develop Physical Infrastructure to Support OSU Priorities

A number of important projects were completed during the last year, as described in Subsection 1.8. Among these is Withycombe Hall, which was renovated to provide significant new functionality, the Upper Division Graduate Housing complex and the Student Success Center at OSU-Cascades. The completion of the PacWave test facility also marks the acquisition of significant new research capability for OSU and for the wave energy research community more broadly. Work on the Jen-Hsun Huang and Lori Mills Huang Collaborative Innovation Complex is well underway, with an occupancy date of December 2026. Work on planning for the Innovation District at OSU-Cascades continues as of this writing. Infrastructure work is underway, and the campus launched a national search for a Phase-1 master developer in August 2025.

We were unsuccessful this year in obtaining state support for the construction of the STEM Learning Center on the Corvallis campus and for the OSU-Cascades Health and Recreation Center. However, the legislature allocated \$120 million for capital improvement and renewal across all of Oregon's public universities, a \$20 million increase over the last biennium. Given the uncertain state funding picture and continuing federal actions, we have decided to take great care in committing to new capital projects for the next year or so.

2.4 Deepen Connections to OSU Stakeholders, Communities, the Nation and Beyond

During the last year, I engaged broadly and deeply with OSU stakeholders, communities and businesses within and outside Oregon. I embarked on a structured annual plan to engage campus constituents, including students, faculty and staff on our campuses and visited OSU's experiment stations and Extension operations across the state. These engagements, especially on our campuses, are critical at a time of high political tensions.

OSU's engagement with its stakeholder communities has been described in Subsection 1.6. OSU's role in economic development has become an increasing focus, consistent with our strategic plan. During the last year, I led an OSU team that participated in the governor's Clean Energy Task Force to identify areas for business development and growth in Oregon's clean energy sector. We have also started the initial visioning for a Southern Willamette Valley Innovation Corridor, working with the University of Oregon, Oregon Business Council, the Papé Group and other industry and community leaders. The group is exploring opportunities to grow business investments and job opportunities in the southern Willamette Valley, leveraging the expertise of

the University of Oregon and OSU. As described in subsections 1.4 and 1.6, we continue to engage federal funding agencies and Oregon industry and communities to bring federal research and development dollars to Oregon. During the last year, I engaged the higher education and K-12 communities in India to build research connections and awareness of OSU educational programs. An extended trip to Taiwan, Thailand, Korea and Vietnam focused on building awareness of OSU and on boosting international enrollment. I continue to serve on a variety of international juries and advisory bodies as well.

Going forward, we will continue to engage OSU's stakeholders across Oregon, as well as nationally and internationally. Work on the Southern Willamette Valley Innovation Corridor and the Innovation District at OSU-Cascades will pick up the pace. We will make it a priority to leverage new opportunities resulting from the rapidly evolving federal landscape. National and international engagement will continue as before.

2.5 Address Athletics Realignment

Over the last year, we have made significant progress in rebuilding the Pac-12 Conference. I took on the position of chair of the board of the Pac-12 last year, and in FY 2025, we announced the addition of San Diego State University, Fresno State University, Colorado State University, Boise State University, Utah State University, Gonzaga University and Texas State University to the conference. The Pac-12 is now eligible to be considered an NCAA FBS conference. Meanwhile, media rights negotiations are underway, with a partnership with CBS already announced and other partnerships in late-stage conversations. We anticipate the bulk of the media rights negotiations to be completed this fall. Another important element in the rebuilding of Pac-12 is the development of additional revenue streams for the conference, including through Pac-12 Enterprises, which provides production capabilities for both conference members and for external customers.

OSU Athletics has embarked on a major effort to reduce costs and to diversify and grow revenues while striving to remain competitive. A point of pride has been the appointment of Vice President and Director of Intercollegiate Athletics Scott Barnes to the national *House* Settlement Implementation Committee and Enforcement Subcommittee, which seek to facilitate compliance and enforce guardrails consistent with the *House* settlement.

During the next year, my goal is to work with the Pac-12 Conference to complete our media rights deal, rebuild staffing of Pac-12 to serve the needs of a nine-school conference, address the conference launch in July 2026 and help grow revenue streams. I will also work with Scott Barnes to help shape the financials of OSU Athletics to address new financial realities and national athletics realignment.

2.6 Develop and Implement Long-Term Artificial Intelligence Strategy

During the last year, we launched AI@OSU, a comprehensive effort to develop a strategy and action plan for artificial intelligence across the university. The planning effort was led by two groups, the AI@OSU advisory group, led by Professor Vrushali Bokil, and the AI@OSU coordinating team, which sought broad engagement across campus and by our stakeholders. These discussions resulted in an action plan submitted to then-Provost Ed Feser in winter 2025. The plan envisioned AI investments in education, research and economic development, as well as driving organizational efficiency in the OSU enterprise broadly.

The AI@OSU framework is the basis for a set of AI initiatives to potentially be launched this year. These include an OSU-specific AI assistant to answer research, academic and administrative queries; a field autonomy platform to drive our AI and robotics efforts in areas of particular interest to Oregon: agriculture, forestry and the coast; AI workforce development; research computing with a focus on a smooth transition to the Huang Complex supercomputer; and expanding the use of AI across the enterprise.

Over the coming year, the university will move from planning to execution of its AI@OSU strategy. Executive decisions on which initiatives to implement will be made in winter 2026, providing clarity on scope, budget and timelines. Central to this effort will be integration of the Huang Complex supercomputer into OSU's research and teaching enterprise, enabling AI-accelerated discovery across climate science, robotics, health, clean energy and the arts. The Provost's Office will coordinate AI hiring and curriculum development in partnership with the colleges, ensuring that faculty capacity and new programs align with [Prosperity Widely Shared](#) goals. This coordination will extend to workforce development, industry engagement and the beginning of enterprise adoption of AI tools, so that OSU is positioned not only to advance research, but also to prepare graduates and Oregon's economy for the AI era.

2.7 Develop a Long-Term Strategy to Improve Higher Education Funding in Oregon

We have long recognized that a long-term strategy to improve higher education funding in Oregon must build a broad base of support across the state. During the last year, the Oregon Council of Presidents contracted external consultants to explore challenges and opportunities in building deeper support for higher education in Oregon. Their work has been broken into a series of phases, with Phase I conducting stakeholder interviews, exploring potential partnerships and evaluating paths forward. Through the spring and early summer, conversations were held with over 50 Oregon leaders to hear their thoughts about higher education and the role of public universities. Oregon's need for an economic development strategy and the focus on job creation lead most conversations. OCOP is focusing its efforts over the next six months to engage with other sectors and to position our public universities as critical players in the creation of a comprehensive statewide economic prosperity plan. Future work will include the building of broad coalitions in support of Oregon higher education and a coordinated legislative campaign. We will report on progress and evolving plans as the project proceeds.

2.8 Promote Proactive Engagement and Institutional Dialogue on Divisive Campus Issues

As described above, the past two years have seen significant activity on our campuses on issues related to the crisis in Gaza, Israel and the Middle East, significant debate around a variety of political and social issues and considerable concern about federal actions. The coming year promises a continuation and possible escalation of these issues, made all the more contentious because of potential budget cuts and an economic downturn. The next year will require concerted action not only to help the campus community navigate these obstacles, but also to proactively engage the university on the deep issues around the meaning of democracy, free speech and academic freedom.

We will continue to promote campuswide dialogue through initiatives such as the *Democracy in Action: A Lecture Series on American Pluralism*, launched last year to bring scholars exploring diverging viewpoints to OSU. Additionally, the university will continue to bolster its efforts to develop the awareness and skill of OSU employees to navigate the most contentious and important issues of the day. We will continue to provide training and resources to the OSU community to ensure our employees and other community members understand their responsibilities and legal obligations in a fast-evolving federal landscape.

Section 3: Emerging Opportunities and Challenges

3.1 Develop Long-Term Response to Challenges in Higher Education

Over the next decade, the higher education enterprise in the U.S. will be challenged in profound ways. First, as many have noted, there has been a loss in confidence in higher education institutions for some years now. Significant percentages of Americans do not see a college degree as necessary to success, driven in part by the high cost of education and the perception of ideological bias. Shrinking enrollments driven by demographic cliffs will bedevil all but the most elite universities in the coming decade. Cutbacks in research funding under the current administration may be difficult to reverse and may persist well into the future.

Challenges to freedom of speech and academic freedom have the potential to erode the very foundation of academic institutions. Geopolitical shifts are already decreasing international enrollments and causing a loss in confidence in degree pathways for international students in the U.S. Furthermore, the advent of artificial intelligence promises to upend many aspects of society, and higher education with it. Some classes of white-collar employment may be replaced by AI before the decade is out, with significant consequences for certain college degrees.

The impact of these and other issues will vary by institution, and it could be argued that public land grant institutions are among the best situated to address them. The coming year will require careful thought and planning, not just for the 2-3 year time frame, but further out. We will work to develop long-term plans to address these and other emerging issues.

3.2 Proposed Professional Development

This year, I propose to attend a set of roundtables being organized by [CCI Inc.](#), which convenes presidents of U.S. universities and curates discussions of topics of interest, such as the role of boards of trustees, fundraising, supporting students and many others. These roundtables will help me connect more deeply with fellow academic leaders as we navigate an uncertain landscape of higher education in the years ahead.

Appendices

Appendix I: Proposed Presidential Agenda for FY 2025

I propose the following goals for FY 2025:

1. Continue Implementation and Tracking of *Prosperity Widely Shared: The Oregon State Plan*

[Prosperity Widely Shared](#) was launched formally in January 2024. As described above, the last several months have been devoted to building administrative structures, reporting and evaluation frameworks, dashboards and budgets. This work will continue into FY 2025.

Among the most complicated and ambitious tasks to carry out will be pushing our six-year graduation rates to 80% while closing gaps between demographic groups by 2030. Another critical task is to implement our ambitious strategy for both on-campus and Ecampus enrollment. The Division of Research and Innovation will identify specific areas for research investment, with a special focus on the Huang Collaborative Innovation Complex. The new Economic Development and Industry Relations office will be further developed during the next year, with a particular focus on responding quickly to large-scale multi-institutional and multidisciplinary federal funding opportunities.

2. Work with OSUF to Advance Capital Campaign

I will continue to work with the OSU Foundation to achieve the fundraising goal of \$1.75 billion over the campaign. We have raised approximately \$1.338 billion as of June 30, 2024. For FY 2025, OSUF has set a goal to raise \$147M as a base, with a stretch goal of \$180M. In collaboration with OSUF, I will drive principal gift conversations and obtain philanthropic support OSU priorities, especially those focused on PWS. Central among these is the Finish in Four initiative, which seeks to fill the need gap for OSU students with the highest need; we believe that this initiative will be critical in fulfilling the graduation rate goals in PWS. Other important initiatives include support for PRAX programming, support for OSU Athletics in the era of conference re-alignment, an expansion of investments in The Huang Complex, artificial intelligence and data science, as well as for a host of other academic and research initiatives.

3. Continue to Develop Physical Infrastructure to Support OSU Priorities

We will continue to pursue the capital projects described in section 1. The biggest priority for the coming year will be the Huang Collaborative Innovation Complex. Following the groundbreaking in April 2024, significant efforts are underway to develop an operating budget, make detailed plans for equipment and layout, as well as the hiring of an executive director and supporting staff. The Huang Complex project includes the demolition of Weniger Hall, which will drive relocation to Plageman Hall, the Coast Range building and the renovated heat plant building. Renovation of the historic heat plant is our top priority for state funding in the next biennium. Completion of the development of the Washington Way project is expected in January 2025. The Upper Division Undergraduate and Graduate Student Housing project at 11th and Madison was completed in September 2024 and students will move in for the fall 2024 term. As described in section 1, PRAX is now open, and a short inaugural season, launched in April 2024, has been spectacularly successful; the center will launch its first full season of programming in fall 2024. Furthermore, the Cascades Innovation District remediation and land development project is well underway, with expected completion in spring 2025 and plans for facility development and industry partnership will be presented to the board for further approvals during the year. Construction of the Cascades Student Success Center is also well underway with a grand opening planned for January 2025.

4. Continue to Deepen Connections to OSU Stakeholders, Communities, the Nation and Beyond

I will continue to engage broadly and deeply with OSU stakeholders, communities and businesses within and outside Oregon. At a time of potentially high campus tensions related to the U.S elections and Gaza, I consider it imperative to maintain open lines of communication with Oregon State employees, students and communities across the state. The last year has seen increasingly strong connections between OSU and the business community in Oregon, especially with the establishment of our Economic Development and Industry Relations (EDIR) office, and we expect to ramp up these interactions yet further. Beyond engagement within the state of Oregon, I will work to raise OSU's profile at the national level and will forge and deepen international relationships as well. As reported above, we launched a concerted initiative to connect with educational institutions in India and these efforts will mature further during the coming year.

5. Develop and Implement Strategy to Address Athletics Re-alignment

FY 2025 will be a very important year in the life of OSU Athletics. In FY 2025, we announced the addition of San Diego State University, Fresno State University, Colorado State University, Boise State University, Utah State University, Gonzaga University and Texas State University. Overlaid on these OSU imperatives are the extraordinary changes sweeping through the NCAA, driven by legal challenges related to NIL, student-athletes as employees, student-athlete unionization and others. These challenges have significant legal and financial implications for OSU Athletics.

We will continue to work closely with Pac-12 Commissioner Teresa Gould and with our conference partners to address these issues during the next year. Furthermore, we will continue to be deeply involved in shaping the directions of the Pac-12, including the continued development of Pac-12 Enterprises

6. Continue to Develop and Refine Marketing and Communications Strategy

As described above, we are re-organizing University Relations and Marketing. During the coming year, this process will continue, now focusing on better coordination and integration with our colleges and administrative units. The path forward will likely involve stronger centralized functions which coordinate closely with the distributed structures located within the units. Budget development is now underway to address expanded marketing and branding campaigns and the use of social media, as well as discussions on coordination with the marketing arms of enrollment management, Ecampus, Athletics, and OSUF, among others.

7. Develop and Implement Long-term AI/ML Strategy

Artificial intelligence (AI) and machine learning (ML) will continue to disrupt higher education in significant ways over the coming years and it remains imperative that OSU understand, regulate and exploit this new technology. Key elements of the action plan noted above are:

- Training and ethical use: Training OSU employees to use generative AI tools effectively and ethically.
- Equitable access and best practices: Ensuring equitable access and sharing best practices on ethical, security, and privacy concerns.
- Organizational change and industry partnerships: Managing organizational change and collaborating with industry partners to realize AI's potential.
- Responsible AI systems: Embedding principles into policies to address bias, security, and risk management.
- Research and innovation: Building foundational, applied, and transdisciplinary research strengths in AI, data science, and research computing infrastructure.
- Outreach and partnerships: Leveraging AI to enhance outreach and co-create solutions with stakeholders.

8. Develop a Long-term Strategy to Improve Higher Education Funding in Oregon

We have long recognized that a thriving higher education ecosystem is the key to economic advancement of our state. Oregon ranks amongst the lowest in the nation in per-capita funding of public higher education. The Oregon Council of Presidents (OCOP) is in discussions regarding a campaign for expanded funding for Oregon public higher education. During the next year, the concept will be developed further, including the identification of organizational structures, discussions with potential coalition partners at community colleges, business, labor, community and civic groups, and philanthropic organizations, as well as with legislative leaders, among others. Financial planning will be undertaken and mechanisms for funding a long-term campaign will be explored. If feasibility is established, a strategic plan for this activity developed over the next year, with a view to launching the campaign in time for the following biennium. OSU will play a central role in this project.

9. Promote Proactive Engagement and Institutional Dialogue on Divisive Campus Issues

The last year has seen significant university engagement on issues related to the conflict in Israel and Gaza. The coming fall promises passionate engagement around the presidential election. The

next year will require concerted action not only to support campus security, but also to provide a unique opportunity to proactively engage the university on the deep issues around the meaning of democracy, free speech and academic freedom.

OSU vigorously supports free speech and the right to protest peacefully but requires that protest be compliant with university time-place-manner policies. Beyond the protests themselves, campuses across the country are struggling to define the boundaries of free speech and the intersection of first amendment rights and the rights of campus constituents to live free of intimidation and harassment. The coming year will provide fertile ground to engage our students, and indeed all university communities, on these deep and important questions through debates, lectures and other forums. OSU will also launch voter education and registration drives to address the presidential election. Furthermore, in light of lessons learned in spring 2024, significant efforts are already underway to revisit and refine policies, student conduct procedures and security protocols, among others.

Employment Agreement and Notice of Appointment for President

This Employment Agreement and Notice of Appointment (the "Agreement") is made between Oregon State University (the "University") and Dr. Jayathi Murthy ("Dr. Murthy"). The University and Dr. Murthy collectively are referred to as the "Parties." This Agreement is effective November 1, 2025 ("Effective Date"). As of the Effective Date of this Agreement, this Agreement supersedes and replaces the Employment Agreement and Notice of Appointment for President between the Parties dated June 7, 2022 by last signature.

WHEREAS, ORS 352.096(1) authorizes the Board of Trustees of Oregon State University (the "Board") to appoint and employ a president of the University;

WHEREAS, ORS 352.096(1)(b) authorizes the Board to prescribe the president's compensation and terms and conditions of employment;

WHEREAS, the University desires to continue to employ Dr. Murthy as the president of the University and Dr. Murthy desires to accept such employment on the terms of this Agreement;

NOW THEREFORE, the Parties, intending to be legally bound, hereby agree as follows:

1. EMPLOYMENT OF PRESIDENT

- 1.1 The University offers to employ Dr. Murthy and Dr. Murthy accepts employment as president of the University pursuant to the terms of this Agreement for the period beginning on the Effective Date and ending on June 30, 2030 (the "Term"), unless terminated earlier as provided below.
- 1.2 Prior to the expiration of the Term, but no later than June 30, 2029, the Chair of the Board ("Board Chair") and Dr. Murthy will meet to discuss the Board's intent regarding the extension of Dr. Murthy's employment as president. The Board Chair's communications in this meeting and related discussions in no way binds the Board, with which the sole power of appointment, reappointment, employment and compensation rests.

2. DUTIES AND RESPONSIBILITIES

- 2.1 As president, Dr. Murthy is the executive and governing officer of the University, president of the faculty, and an *ex officio* nonvoting member of the Board. Dr. Murthy is supervised by and is responsible to the Board for all matters concerning the University and is an advisor to the Board regarding matters of policy and administration. Duties include, but are not limited to:
 - (a) Administration of the affairs of the University as best serves the institution consistent with Board and University rules, policies, standards and Board directives, and federal, state and local laws and regulations;
 - (b) Development and implementation of the University's academic, student service, outreach, research, athletic and overall institutional strategies and related plans;
 - (c) Service as an *ex officio* nonvoting member of the Board;
 - (d) Reporting to the Board Chair all significant matters within Dr. Murthy's knowledge related to the University;

- (e) Institutional, faculty, and educational leadership, and the fostering of productive faculty and administration relationships;
- (f) Long-range planning;
- (g) Management of buildings, grounds and equipment controlled by the University, as well as capital projects;
- (h) Student recruitment, success and services;
- (i) Senior administration and faculty recruitment;
- (j) Appointing, supervising, promoting, and dismissing employees;
- (k) Enforcing expectations concerning compliance with laws, regulations and the rules of governing bodies, including the NCAA;
- (l) Preparing policies and procedures useful to the University’s welfare;
- (m) Fundraising, development, and public and alumni relations;
- (n) Addressing and documenting compliance with Board-identified outcomes for each year; and
- (o) Performing all services, acts, or things necessary or advisable to discharge her duties under this Agreement, and such other duties as are commonly performed by a university president or which may, from time to time, be prescribed by the University through its Board.

3. DEVOTE EFFORTS

- 3.1 Dr. Murthy shall use best efforts to carry out the duties and responsibilities required by this Agreement and to faithfully, industriously, and with maximum application of experience, ability, and talent devote her full professional attention and energies to the duties as president of the University.
- 3.2 Dr. Murthy’s service will be rendered at the University’s campus in Corvallis, Oregon and at such other place or places as the Board and Dr. Murthy deem appropriate for the interest, needs, business or opportunity of the University.

4. COMPENSATION AND BENEFITS

- 4.1 Total Annual Salary. For all services rendered by Dr. Murthy as president, the University shall pay Dr. Murthy the annual amounts set forth below (the “Total Annual Salary”). The Total Annual Salary is comprised of an amount paid by the University and an amount funded by the University’s recognized foundation (the “Foundation”). The amount funded by the Foundation is 49% of the Total Annual Salary and is subject to funding commitment by the Foundation. The Total Annual Salary is payable in twelve substantially equal monthly installments as follows:

Effective Date -	June 30, 2026	\$771,000
July 1, 2026 -	June 30, 2027	\$801,840
July 1, 2027 -	June 30, 2028	\$833,914
July 1, 2028 -	June 30, 2029	\$867,270
July 1, 2029 -	June 30, 2030	\$901,961

Dr. Murthy’s monthly payments for the first contract year are adjusted on a prospective basis to reflect the new Total Annual Salary of \$771,000 commencing on the Effective Date. The increased Total Annual Salary will be paid in equal monthly installments for the remainder of the first contract year, and all salary payments made prior to the Effective Date have been earned under the prior Employment Agreement and Notice of Appointment for President between the Parties dated June 7, 2022. No retroactive adjustment applies.

- 4.2 Relocation Stipend. Unless Dr. Murthy's employment as president is terminated under Section 11.1 or 11.4, University will pay to Dr. Murthy a one-time relocation stipend of \$30,000, to be paid no later than 90 days after the date Dr. Murthy vacates the President's House. The University will also pay to Dr. Murthy a one-time payment in the amount of the taxes incurred by Dr. Murthy on the relocation stipend payment.
- 4.3 Professional Development and Club Memberships. University shall reimburse Dr. Murthy for payment of dues to professional associations, conferences, and other organizations incurred during her term as president and reasonably judged by the Board Chair to be of benefit to the University. University will pay for the services of an executive coach in an amount not to exceed \$25,000 in aggregate during the Term.
- 4.4 Professional Legal or Tax Consulting Fees. University will reimburse Dr. Murthy for legal, tax, or financial consulting fees related to the negotiation of this Agreement in an amount not to exceed \$10,000. Payment will be made within 30 days of the date University receives documentation of the expense.
- 4.5 Automobile. University agrees to provide, or cause the Foundation to provide, Dr. Murthy a monthly vehicle stipend of \$1,000 while Dr. Murthy is serving as president. By accepting the monthly vehicle stipend, Dr. Murthy agrees Dr. Murthy is not entitled to any vehicle-related expense reimbursement when on University business or to a University owned vehicle for the discharge of duties as president. Subject to University policies and procedures, the restrictions of this paragraph do not apply when Dr. Murthy requires use of a rental vehicle for out-of-state or air-related travel.
- 4.6 Travel. University will reimburse Dr. Murthy for reasonable and documented travel-related expenses incurred for the benefit of the University during Dr. Murthy's term as president, consistent with Board and University policies governing travel reimbursements. When the presence of Dr. Murthy's spouse (or spousal equivalent) is of benefit to the University, expenses incurred for the travel of Dr. Murthy's spouse (or spousal equivalent) shall also be reimbursed. The travel expenses of Dr. Murthy and Dr. Murthy's spouse (or spousal equivalent) may be reviewed by the Board Chair at any time.
- 4.7 Benefits. Dr. Murthy shall receive the same benefits as those provided to other University employees, currently including, but not limited to, medical, dental, and retirement benefits, accrual of vacation and sick leave, and staff fee privileges, subject to the eligibility requirements of such plans and programs. Nothing in this Agreement, however, shall prevent the University from amending or terminating any employee retirement, welfare benefit, or any other employee benefit plan or program as the University deems appropriate. Notwithstanding the foregoing, Dr. Murthy shall advise the Board Chair in advance of any vacation or other event that renders Dr. Murthy unavailable to communicate with the Board Chair in the event of an emergency impacting the University. Dr. Murthy shall also consult with the Board Chair prior to scheduling any vacation in excess of two weeks.
- 4.8 Supplemental Retirement, Deferred Compensation, Retention Bonus.
- (a) During Dr. Murthy's term as president, in addition to the retirement benefits otherwise included under Section 4.7, the Board approves Dr. Murthy to receive contributions to the University's Supplemental 403(b) Retirement Plan (the "403(b) Plan") and the University's Qualified Governmental Excess Benefit 415(m) Arrangement (the "415(m) Arrangement") in the amounts stated in this Section 4.8. University maintains the discretion to make these contributions on a monthly basis or on an annualized basis within 30 days of the end of the relevant contract year. When contributions are made following the end of a contract year, they will be made for the calendar year that ended during the contract year that they follow and will consider Dr. Murthy's contributions to the Tax-Deferred

Investment 403(b) Plan that is a supplementary retirement savings plan available to Oregon Public Universities employees (the "TDI Plan") in determining appropriate allocations to the 403(b) Plan and the 415(m) Arrangement. While University maintains the discretion to determine when contributions under this Section 4.8 are made to the 403(b) Plan and the 415(m) Arrangement, contributions provided under this Section 4.8 are accrued on a monthly basis. Should University or Dr. Murthy terminate her employment as president prior to the end of the Term, University shall make contributions as provided in this Section 4.8 for each full month in which Dr. Murthy performs services for the University to the extent such contributions have not already been made by University. Together, the TDI Plan and the 403(b) Plan must be funded to the IRS maximum amount (excluding catch-up contributions) before funds may be contributed to the 415(m) Arrangement. Contributions will be made by the University in the amount of \$13,750 per month or \$165,000 per year. Subject to funding commitment by the Foundation, the Foundation will fund a portion of these contributions in the amount of \$6,738 per month or \$80,850 per year.

- (b) In addition to the above, in recognition of satisfactory service and as a retention bonus, the University will (i) make a contribution on Dr. Murthy's behalf to the University's 403(b) Plan and the 415(m) Arrangement in the total amount of \$62,500 if she remains employed as president through June 30, 2028, with such contribution being made within 30 days of the date Dr. Murthy qualifies for the contribution, and (ii) make a contribution on Dr. Murthy's behalf to the University's 403(b) Plan and the 415(m) Arrangement in the total amount of \$62,500 if she remains employed as president through June 30, 2030, with such contribution being made within 30 days of the date Dr. Murthy qualifies for the contribution. Subject to funding commitment by the Foundation, the Foundation will fund a portion of these retention bonuses that Dr. Murthy qualifies for in the amount of \$30,625 per retention bonus.
- (c) All contributions made under this Section 4.8 are subject to the terms of the plan or arrangement into which they are contributed.

4.9 Signing Bonus. University will pay to Dr. Murthy a one-time signing bonus of \$38,550 within 90 days of the Effective Date.

5. EVALUATION

- 5.1 The Board shall evaluate Dr. Murthy's performance as University president annually in accordance with the Board's guidelines and policies, as may be changed from time to time.
- 5.2 While serving as president of the University, Dr. Murthy shall report and be accountable to the Board. To that end:
 - (a) To the extent that Dr. Murthy is otherwise entitled to access and enjoy the benefits of the faculty grievance procedures or discipline or termination procedures found in University Policies 01-225,05-100 or 05-105, or their successors, those policies do not apply to Dr. Murthy's employment as president and Dr. Murthy expressly waives any rights or benefits that Dr. Murthy would otherwise enjoy under those policies for her president position.
 - (b) To the extent that the tenure-related provisions of University Policies 580-021-0130, -0105, -0110, -0115, -0120, or -0305 or their successors, otherwise might apply to Dr. Murthy, those policies do not apply to Dr. Murthy's employment as president and Dr. Murthy expressly waives any rights or benefits that Dr. Murthy would otherwise enjoy under those policies for her president position.

- (c) To the extent that the discipline and termination procedures in University Policies 580-021-0305 to -0470, or their successors, otherwise apply to Dr. Murthy, those policies do not apply to Dr. Murthy's employment as president and Dr. Murthy expressly waives any rights or benefits that Dr. Murthy would otherwise enjoy under those policies for her president position.
- (d) To the extent that any collective bargaining agreement provisions otherwise apply to Dr. Murthy, those agreements do not apply to Dr. Murthy's employment as president and Dr. Murthy expressly waives any rights or benefits that Dr. Murthy would otherwise enjoy under those policies for her president position.

6. TENURE

- 6.1 Dr. Murthy has been appointed as a tenured full Professor in the College of Engineering. Upon the end of her term of employment as president Dr. Murthy may elect, at her discretion, to remain a member of the University's faculty as a tenured full Professor. Such position will be subject to the applicable faculty policies and collective bargaining agreements governing tenure and faculty employment as well as all then-current Board and University policies and procedures.
- 6.2 If Dr. Murthy elects to remain as Professor, her annual salary will equal the average annual salary for the three highest paid tenured full professors in Dr. Murthy's academic department in effect at the time of Dr. Murthy's completion of her employment as president (the "Annual Academic Salary").
- 6.3 In the event Dr. Murthy's employment as president is completed at the end of the Term, or is terminated under Section 11.2 or 11.3, Dr. Murthy may elect, at her discretion, to take return-to-faculty leave with pay for a period of 12 months immediately following the end of her employment as president ("Leave Period") to provide Dr. Murthy with an opportunity to prepare to assume faculty duties. For the avoidance of doubt, a Leave Period will not be provided following a For Cause termination. Before beginning the Leave Period, Dr. Murthy will submit a work plan to the Board Chair for the Leave Period, which will include a description of expected outcomes for the benefit of the University. During the Leave Period, Dr. Murthy (i) shall be a full-time employee of the University, subject to the then-current Board and University policies governing faculty employment; and (ii) shall be paid in twelve substantially equal monthly installments the Total Annual Salary in effect on the date of Dr. Murthy's completion of her employment as president. After the Leave Period, Dr. Murthy will be paid the Annual Academic Salary and will: (i) submit a summary report of the Leave Period to the then-current president, and (ii) assume the duties as a full-time faculty. In the event Dr. Murthy for any reason does not return to full-time active faculty status at the end of the Leave Period, or returns to full-time active faculty status but fails to remain with and perform reasonable duties assigned by the University for one year thereafter, the University may require repayment of compensation paid to Dr. Murthy during the Leave Period.
- 6.4 After the Leave Period and upon her return to full-time active faculty Dr. Murthy will be eligible to receive a start-up package similar to those received by other similarly situated faculty in Dr. Murthy's academic department at the time of her transition to faculty. For the first year of Dr. Murthy's return to faculty, she will have a reduced teaching load similar to reduced teaching loads provided to Deans upon their return to faculty.

7. OFFICIAL RESIDENCE

7.1 Official Residence.

- (a) For the benefit and convenience of the University in having appropriate proximity and access to student life, and to entertain students, faculty, staff, parents, alumni, Trustees, donors, community members and other guests on behalf of the University, and as a term and condition of Dr. Murthy's employment as president, Dr. Murthy shall reside at 3480 SW Western Boulevard, Corvallis, Oregon (the "President's House") during Dr. Murthy's employment as president.
- (b) If a state or federal taxing authority assesses any tax on Dr. Murthy because of the President's House or related interest or penalties, Dr. Murthy shall receive additional payments (a "Gross-Up Payment") to fund the payment by Dr. Murthy of the tax and related interest or penalties, as well as all taxes, interest, and penalties imposed on the Gross-Up Payment.

7.2 Maintenance and Insurance. Subject to the exceptions noted below, the University will maintain the President's House in good repair and pay for utilities, telephone service, cable, internet access, and similar expenses. The University will not be obligated to pay for any damage or expense caused by the willful misconduct or negligence of Dr. Murthy, her family or personal guests (normal wear and tear excepted) for which Dr. Murthy is responsible. For purposes of this Section, "personal guests" means those persons not invited to the residence as part of Dr. Murthy's duties to host official and other University functions, whom Dr. Murthy invites in an exclusively personal capacity. The University will maintain the grounds of the President's House. The University will keep the President's House insured for fire and extended coverage and will pay for liability insurance on the property. The Board Chair must authorize any improvements to the President's House.

7.3 Additional Parking. University may, from time to time and at the request of Dr. Murthy, make available additional parking at no cost for personal guests of Dr. Murthy at nearby University owned property, to the extent such use does not interfere with University operations.

7.4 Personal Possessions. With the exception of furnishings already in the President's House or purchased by or on behalf of the University for use in University-related events or business, the President's House will be furnished with furniture and furnishings at the cost of Dr. Murthy. The cost of any insurance on Dr. Murthy's personal furnishings and contents in the President's House will be borne by Dr. Murthy.

7.5 Vacating President's House. Dr. Murthy and Dr. Murthy's family and any other household members shall vacate the President's House upon termination of employment as president. Unless the Board Chair provides a written notice permitting a later vacation of the President's House, the date by which the President's House must be vacated is as follows

- (a) Termination for Cause – the later of the last day of employment as president or 60 days after delivery of Notice of Termination for Cause;
- (b) Termination without Cause – upon expiration of the notice period provided in Section 11.2(a);
- (c) Termination by Dr. Murthy for Good Reason – the later of the last day of employment as president or 60 days after the termination effective date in Section 11.3(c);
- (d) Termination by Dr. Murthy - the later of the last day of employment as president or 60 days after delivery of the notice of resignation;
- (e) Termination by Death or Disability – 60 days after the last day of employment as president.

8. NCAA COMPLIANCE

- 8.1 Dr. Murthy shall be knowledgeable about and comply with all NCAA rules, regulations and Bylaws.
- 8.2 In compliance with NCAA Bylaws, as may be amended from time to time, including Bylaws 11.2.1(a) and 19.2.3, Dr. Murthy shall cooperate fully in the NCAA's infractions process, including the investigation and adjudication of any case involving allegations of infractions. Such cooperation includes cooperation with any internal University investigation, with NCAA enforcement staff, the NCAA Complex Case Unit, the NCAA Committee on Infractions, the NCAA Independent College Sports Adjudication Panel and the NCAA Infractions Appeals Committee in order to further the objectives of the NCAA, its infractions program, and its independent alternative resolution program. Dr. Murthy's obligation to cooperate in connection with allegations of infractions alleged to have occurred prior to the expiration of the Term survives termination or expiration of this Agreement. Should Dr. Murthy be found in violation of NCAA regulations, Dr. Murthy may be subject to disciplinary or corrective action as set forth in the provisions of the NCAA infractions process, as well as hereunder.
- 8.3 This NCAA obligation is in addition to all other University policy, standard or applicable law requiring cooperation in other investigations.

9. ETHICS

- 9.1 Dr. Murthy shall be knowledgeable about and comply with the requirements of Oregon's Government Ethics law and the instructions and requirements of the Oregon Government Ethics Commission. Dr. Murthy shall, at all times, conduct herself in an ethical and legal manner.

10. OUTSIDE INCOME/CONFLICT OF COMMITMENT

- 10.1 Dr. Murthy is permitted to expend a reasonable amount of time for personal, charitable and professional development activities, including serving on boards for nonprofit or other entities, provided such activities: (i) do not interfere with the services required to be rendered under this Agreement, and (ii) are consistent with applicable laws including but not limited to ORS 244.040 and ORS 244.120, and applicable University policies regarding conflicts of interest and conflict of commitment.
- 10.2 Dr. Murthy is permitted to serve on outside boards for nonprofits or other entities, with or without compensation, where such service (i) is related to her professional standing or employment with the University, (ii) comports with the mission of the University, (iii) does not substantially interfere with the services required to be rendered under this Agreement, and (iv) can be done in compliance with ORS 244.040 and ORS 244.120 and applicable University policies regarding conflicts of interest and conflict of commitment. Any compensation received by Dr. Murthy due to activity authorized under this Section is considered official compensation for the purposes of ORS 244.040 and ORS 352.232.
- 10.3 Other than activities or services permitted under Sections 10.1 and 10.2, Dr. Murthy will not render services of any outside business or professional nature to or for any person, firm, or entity for remuneration other than to the University, and will not engage in any activity that would cause a conflict of interest with Dr. Murthy's duties to the University. The making of passive or personal investments and the conduct of private business affairs are not prohibited by this section.
- 10.4 Reimbursement of expenses received by Dr. Murthy related to outside activities permitted under Sections 10.1 and 10.2 are considered the reimbursement of expenses for purposes of ORS 244.040. If

acceptance of any such reimbursement creates a potential conflict of interest, Dr. Murthy shall promptly report the potential conflict in writing to the Board Chair.

11. TERMINATION

11.1 Termination by University for Cause.

- (a) The University may terminate Dr. Murthy's employment as president at any time for Cause upon written notice to Dr. Murthy. "Cause" means any of the following grounds, determined in the sole judgment of the Board:
1. Conviction of or entering a guilty plea or a plea of no contest to any felony or any crime involving fraud, theft, misuse or misappropriation of money or other property, or moral turpitude;
 2. Willful breach of any material term of this Agreement or University policy;
 3. Neglect, willful failure or refusal to perform in good faith material assigned duties;
 4. Misconduct with respect to the affairs of the University;
 5. Insubordination toward the Board;
 6. Any conduct occurring at any time which brings Dr. Murthy or the University into public disrepute, embarrassment, contempt or ridicule;
 7. Violation of any material NCAA rule, regulation or order or finding of infraction;
 8. Failure to disclose any fact relevant to the University's decision to enter into this Agreement including without limitation, representations made to the University or its agents during the selection process, failure to disclose any criminal charges brought against Dr. Murthy at any time, and failure to disclose any prior or pending investigations into misconduct by Dr. Murthy; or
 9. Absence from duty for more than thirty (30) days for reasons other than illness or disability, without Board consent.
- (b) In lieu of any other termination notice and hearing procedures that may otherwise apply to Dr. Murthy's employment as president under University Policies 01-225 or 05-105, other University Policies, collective bargaining agreements or any law, the following notice and hearing procedures shall apply in the event that the Board proposes to terminate Dr. Murthy's employment as president for Cause:
1. In the event of potential termination for Cause, the Board Chair shall first provide Dr. Murthy with notice and a reasonable opportunity to cure the defect if practicable as determined by the Board.
 2. University shall deliver to Dr. Murthy written Notice of Termination for Cause (described in paragraph 3 below) not less than 30 days prior to any hearing and shall afford Dr. Murthy the hearing set forth in paragraph 4 below.
 3. "Notice of Termination for Cause" means a notice that indicates the specific termination provision in this Agreement relied upon and sets forth in reasonable detail the facts and circumstances claimed to provide a basis for termination of Dr. Murthy's employment as president. The failure to set forth any fact or circumstance in a Notice of Termination for Cause does not constitute a waiver of the right to assert such fact or circumstance in an attempt to enforce any right under or provision of this Agreement.
 4. The Board will conduct a hearing in executive session under ORS 192.660(2)(b), unless Dr. Murthy requests an open hearing. The Board will audio record or otherwise provide for the

making of a record for the hearing. The Board Chair or any person designated by the Board Chair will preside at the hearing. The Board Chair or designee shall decide matters of procedure and introduction of evidence, which may include live testimony, documents, or sworn statements, and shall conduct the hearing in such manner as, in the Board Chair's or designee's discretion, will best serve the attainment of a fair outcome.

5. Dr. Murthy's termination for Cause is effective when a resolution is duly adopted by an affirmative vote of the Board stating that the Board finds Dr. Murthy is responsible for the conduct described in the Notice of Termination for Cause.
- (c) The Board Chair, in their discretion, may place Dr. Murthy on paid administrative leave at any time pending completion of the process set forth in Section 11.1(b).
- (d) Termination for Cause immediately terminates Dr. Murthy's employment as president. Unless tenure or employment is maintained, Dr. Murthy shall forfeit any payment or benefit under this Agreement that has not been paid or accrued as of the date of termination for Cause except for: (i) as a lump sum, the portion of the Total Annual Salary to the extent already accrued and unpaid up to the date of termination, (ii) all benefits vested before termination in accordance with the terms of any applicable benefit plans and programs of the University described in Sections 4.7 and 4.8, and (iii) reimbursement for previously incurred and approved expenses.

11.2 Termination by University Without Cause.

- (a) The University may terminate Dr. Murthy's employment as president at any time without Cause upon no less than sixty (60) calendar days' prior written notice to Dr. Murthy. Termination without Cause immediately terminates Dr. Murthy's employment as president.
- (b) If the University terminates Dr. Murthy's employment as president without Cause:
 1. Dr. Murthy agrees to accept liquidated damages as specified in this Section in complete satisfaction of and as payment in full for all obligations, if any, due and owing by University to Dr. Murthy under this Agreement. In the event of termination without Cause, the University shall pay Dr. Murthy as liquidated damages the lesser of: (i) one year of Dr. Murthy's then-current Total Annual Salary, or (ii) the amount of Dr. Murthy's then-current Total Annual Salary that would be due from the effective date of the termination until the expiration of the Term ("Severance Pay"). Severance Pay is payable in equal monthly installments over the Severance Payment Period, per usual payroll procedure and timing and subject to all applicable withholdings. As used in this Agreement, Severance Payment Period means the lesser of one year or the period from the effective date of termination until expiration of the Term.
 2. The receipt of Severance Pay is conditioned upon Dr. Murthy's execution of a release of claims in a form satisfactory to the University. Attachment A to this Agreement generally reflects the Parties' intentions with respect to the form of the release, subject to final approval by the University. If Dr. Murthy fails to provide the University with the executed release within 21 days of Dr. Murthy's receipt of the release, or if Dr. Murthy thereafter revokes such release during its stated revocation period, Dr. Murthy shall forfeit any right to Severance Pay.
 3. If Dr. Murthy elects COBRA continuation coverage, University shall reimburse her for that expense for the Severance Payment Period unless Dr. Murthy becomes eligible for comparable coverage through subsequent employment (including continued employment by University), in which case University's COBRA reimbursement obligation will end.
 4. Dr. Murthy is entitled to all other benefits vested before termination in accordance with the

- terms of any applicable benefit plans and programs of the University described in Sections 4.7 and 4.8.
5. Dr. Murthy is entitled to reimbursement for previously incurred and approved expenses.
 6. Dr. Murthy shall retain tenure and may elect to assume the faculty position described in Section 6 at the Annual Academic Salary, all subject to applicable provisions of policies and collective bargaining agreements governing academic faculty.
 7. Dr. Murthy is not entitled to any benefits or compensation other than as set forth in this Section 11.2(b).
- (c) In the event of termination under this Section 11.2, Dr. Murthy agrees not to apply for unemployment compensation.
- (d) Severance Pay shall be reduced by any amount University pays to Dr. Murthy pursuant to Section 6 during the Severance Payment Period.
- (e) Unless Dr. Murthy continues employment with the University in the faculty position described in Section 6, following termination of Dr. Murthy's employment as president, Dr. Murthy agrees to mitigate University's severance payment obligation by making reasonable and diligent efforts to obtain other employment or engage in other compensable activities consistent with her professional and educational background. If at any time during the Severance Payment Period, Dr. Murthy becomes entitled to receive from a third party compensation or remuneration for work, services or other activity (collectively, "Compensable Services"), Dr. Murthy shall notify University in writing within 15 days of becoming so entitled and shall include the identity of the payor, the nature of the Compensable Services and the compensation or remuneration Dr. Murthy will be entitled to receive at any time for Compensable Services to be performed by Dr. Murthy during the Severance Payment Period. University's obligation to make severance payments under this Section 11.2 ceases immediately upon Dr. Murthy engaging in Compensable Services unless the compensation or remuneration Dr. Murthy will be entitled to receive at any time from the third party for Compensable Services to be performed during the Severance Payment Period is less, when prorated on a monthly basis over the remainder of the Severance Payment Period ("Prorated Monthly Third-Party Payment"), than University's monthly severance payment obligation. In the event that such Prorated Monthly Third-Party Payment is less than University's monthly severance payment obligation, University's monthly severance payment obligation shall be reduced beginning with the month following Dr. Murthy's commencement of performance of Compensable Services by an amount equal to the Prorated Monthly Third-Party Payment. If, however, Dr. Murthy does not notify University of the Compensable Services within the 15 day period, University shall not be liable for any further payments under this Section 11.2.
- (f) If the University determines it is in its best interests to do so, Dr. Murthy may be reassigned by the University to other duties during the notice period specified in Section 11.2(a). Under no circumstance will the University be liable for the loss of any collateral business opportunities or any other benefits, perquisites or income from any sources that may ensue as a result of the University's termination of Dr. Murthy's employment as president without Cause. The Parties have bargained for and agreed to the foregoing provisions, giving consideration to the fact that termination of Dr. Murthy's employment as president by the Board without Cause prior to its expiration may cause loss to Dr. Murthy which is extremely difficult to determine with certainty. The Parties further agree that payments made based on the foregoing by the University and acceptance thereof by Dr. Murthy will constitute adequate and reasonable compensation to Dr. Murthy for any loss and injury suffered and are not intended to be a penalty.

11.3 Termination by Dr. Murthy for Good Reason.

- (a) Dr. Murthy may terminate employment as president for Good Reason before the end of the Term. Good Reason is defined as (i) a material diminution of Dr. Murthy's duties, responsibilities, or authority, or (ii) a material breach of this Agreement by the University occurring without Dr. Murthy's prior written consent.
- (b) Dr. Murthy must provide written notice to the Board Chair specifying in reasonable detail the circumstances alleged to constitute Good Reason within 30 days of the initial occurrence of such circumstances. The University will have 30 days after receiving that written notice to cure the circumstances. If Dr. Murthy fails to provide (i) notice of the existence of Good Reason within 14 days after its initial occurrence, or (ii) written notice of termination for Good Reason within 14 days after the expiration of the University's cure period, she will be deemed to have waived her right to terminate for Good Reason with respect to those circumstances. If the University notifies Dr. Murthy in writing that it has cured the alleged circumstances and Dr. Murthy does not object in writing within 5 days after receiving such notice, the circumstances will be deemed cured and will not constitute Good Reason.
- (c) If Dr. Murthy terminates her employment as president for Good Reason, such termination will be effective on the date specified in her written notice of termination provided, however, that such date shall not be earlier than the later of (i) the expiration of the University's 30 day cure period under Section (b), or (ii) 30 days after Dr. Murthy delivers the written notice of termination for Good Reason.
- (d) In the event Dr. Murthy terminates her employment as president for Good Reason, she shall receive the benefits, privileges and obligations associated with Termination by University Without Cause provided in Section 11.2.
- (e) In the event Dr. Murthy terminates her employment as president for Good Reason, she shall receive the benefits, privileges and obligations provided in Section 6, including but not limited to tenure and Return to Faculty Leave.

11.4 Termination by Dr. Murthy without Good Reason.

- (a) Dr. Murthy may voluntarily resign employment as president before the expiration of the Term by providing the Board Chair with 60 days' advance written notice of such resignation. Upon the effective date of Dr. Murthy's resignation, Dr. Murthy will not be entitled to any further compensation or benefits except: (i) the portion of the Total Annual Salary to the extent already accrued and unpaid up to the date of resignation, (ii) all benefits vested before termination in accordance with the terms of any applicable benefit plans and programs of the University described in Sections 4.7 and 4.8, and (iii) reimbursement for previously incurred and approved expenses.
- (b) University has the option, in its sole discretion, to make Dr. Murthy's termination as president effective at any time prior to the end of such notice period as long as the University pays Dr. Murthy all compensation to which Dr. Murthy is entitled up through the last day of the 60 day period. Thereafter all obligations of University cease except as provided in Section 11.4(a).

- (c) Dr. Murthy shall retain tenure and may elect to assume the faculty position as described in Section 6.1 at the Annual Academic Salary described in Section 6.2, all subject to applicable provisions of policies and collective bargaining agreements governing academic faculty.

11.5 Termination by Disability.

- (a) The University may terminate Dr. Murthy's employment as president if Dr. Murthy is unable to perform the essential functions of Dr. Murthy's job with or without reasonable accommodation during the Term or any extension thereof because of physical or mental injury or illness ("Disability"), subject to any limitations imposed by federal, state or local laws. If Dr. Murthy is disabled, as defined by the federal Americans with Disabilities Act and applicable state law, the University will provide a reasonable accommodation to Dr. Murthy so long as such reasonable accommodation would not impose an undue hardship to the University and would enable Dr. Murthy to satisfactorily perform the essential functions of the position. Dr. Murthy agrees, in the event of a dispute under this Section relating to Dr. Murthy's Disability, to submit to a physical examination by a licensed physician jointly selected by the Board Chair and Dr. Murthy. If the University terminates Dr. Murthy's employment as president because of Dr. Murthy's Disability, Dr. Murthy shall be entitled to receive the following: (i) the portion of the Total Annual Salary to the extent already accrued and unpaid up to the date of termination, (ii) all benefits vested before termination in accordance with the terms of any applicable benefit plans and programs of the University described in Sections 4.7 and 4.8, and (iii) reimbursement for previously incurred and approved expenses. For the avoidance of doubt, Dr. Murthy shall be entitled to no other compensation or benefits in the event of early termination due to disability.
- (b) So long as Dr. Murthy is able to perform the essential functions of the position of full Professor, with or without accommodations, and subject to all rules and policies applicable to tenured faculty, Dr. Murthy shall retain tenure and may elect to assume that faculty position on the terms specified in Section 6 at the Annual Academic Salary specified in Section 6.2.

11.6 Termination by Death.

- (a) If Dr. Murthy dies while employed as president of the University, the University shall pay to Dr. Murthy's executor, legal representative, administrator or designated beneficiary, as applicable, the portion of the Total Annual Salary already accrued and unpaid up to the date of death, and all benefits vested before termination in accordance with the terms of any applicable benefit plans and programs of the University described in Sections 4.7 and 4.8, and reimbursement for previously incurred and approved expenses through the date of death. Except as set forth above, the University shall have no further liability or obligation under this Agreement to Dr. Murthy's executors, legal representatives, administrators, heirs, or assigns or any other person claiming under or through Dr. Murthy.

12. EXPENSE RECEIPT AND DOCUMENTATION

- 12.1 Dr. Murthy shall maintain and make available to the University detailed accounting records, including original documentation of all expenses reimbursed or paid for by University under this Agreement in accordance with federal and state laws and regulations and University policies and standards.

13. MISCELLANEOUS

- 13.1 Indemnification. The University shall, to the extent legally permissible, defend, hold harmless and indemnify Dr. Murthy against all liabilities and expenses (including legal fees) reasonably incurred in connection with the defense of any action, suit, or other proceeding (whether civil, criminal, administrative, or investigative) to which Dr. Murthy has been made a party by reason of being or having been president at the University, provided Dr. Murthy acted in good faith and in a manner reasonably believed to be in, or not opposed to, the best interests of the University. Dr. Murthy is not entitled to indemnification for acts that are determined by the Board Chair in their sole discretion to be the result of malfeasance or willful or wanton neglect of duty.
- 13.2 Survivorship. The respective rights and obligations of the Parties under this Agreement shall survive any termination of Dr. Murthy's employment as president to the extent necessary to preserve the intended rights and obligations.
- 13.3 Notices. All notices and other communications required or permitted under this Agreement or necessary or convenient in connection herewith shall be in writing and shall be deemed to have been given when hand delivered, delivered by overnight courier or mailed by registered or certified mail, as follows (provided that notice or change of address shall be deemed given only when received):

If to the University by mail, hand delivery or courier, to:

Board Chair:

Chair, OSU Board of Trustees
638 Kerr Administration Building
Corvallis, OR 97331

With a copy to:

Secretary to the Board of Trustees
638 Kerr Administration Building
Corvallis, OR 97331

If to Dr. Murthy, to the address then on file in the University's Office of Human Resources or to such other names or addresses as the University or Dr. Murthy, as the case may be, shall designate by notice to each other person entitled to receive notices in the manner specified in this Section 13.3.

- 13.4 Contents of Agreement; Amendment and Assignment. Except as may be subject to agreement with the Board Chair concerning matters within their authority, this Agreement sets forth the entire understanding between the Parties and cannot be changed, modified, extended or terminated except upon written amendment approved or authorized by the Board and executed on its behalf by a duly authorized member of the Board and by Dr. Murthy. All of the terms and provisions of this Agreement shall be binding upon and inure of the benefit of and be enforceable by the respective heirs, executors, administrators, legal representatives, successors, and assigns of the Parties, except that the duties and responsibilities of Dr. Murthy under this Agreement are of a personal nature and shall not be assignable or delegable in whole or in part by Dr. Murthy.

- 13.5 No Conflicting Agreements. Dr. Murthy represents and warrants that Dr. Murthy is free to enter into and perform this Agreement and the agreements referred to herein, and that Dr. Murthy is not a party to any existing agreement which would prevent Dr. Murthy from entering into and performing this Agreement.
- 13.6 Severability. If any provision of this Agreement or application thereof to anyone or under any circumstances is adjudicated to be invalid or unenforceable in any jurisdiction, such invalidity or unenforceability shall not affect any other provision or application of this Agreement which can be given effect without the invalid or unenforceable provision or application and shall not invalidate or render unenforceable such provision or application in any other jurisdiction. If any provision is held void, invalid or unenforceable with respect to particular circumstances, it shall nevertheless remain in full force and effect in all other circumstances.
- 13.7 No Waiver of Remedies. No delay or omission by either Party to this Agreement in exercising any right, remedy or power under this Agreement or existing at law or in equity shall be construed as a waiver thereof, and any such right, remedy or power may be exercised by such party from time to time and as often as may be deemed expedient or necessary by such party in its sole discretion.
- 13.8 Beneficiaries/References. Dr. Murthy shall be entitled, to the extent permitted under any applicable law, to select and change a beneficiary or beneficiaries to receive any compensation or benefit payable under this Agreement following Dr. Murthy's death by giving the University written notice of such change. In the event of Dr. Murthy's death or a judicial determination of Dr. Murthy's incompetence, reference in this Agreement to Dr. Murthy shall be deemed, where appropriate, to refer to Dr. Murthy's beneficiary, estate or other legal representative, as appropriate.
- 13.9 Miscellaneous. All section headings used in this Agreement are for convenience only. This Agreement may be executed in counterparts, each of which is an original and all of which constitute only one agreement.
- 13.10 Withholding. All payments under this Agreement shall be made subject to applicable tax withholding, and the University shall withhold from any payments under this Agreement all federal, state, and local taxes as the University is required to withhold pursuant to any law or government rule or regulation. Dr. Murthy shall be solely responsible for all federal, state, and local taxes due with respect to any compensation received under this Agreement.
- 13.11 Governing Law. This Agreement shall be governed by and interpreted under the laws of the State of Oregon without giving effect to any conflict of laws provisions.
- 13.12 Section 409A of the Internal Revenue Code. Notwithstanding anything herein to the contrary, no payments will be made or benefits provided under this Agreement in violation of section 409A(2)(b)(i) of the Code. Notwithstanding anything in this Agreement to the contrary, all payments to be made upon a termination of employment as president under this Agreement will only be made upon a "separation from service" within the meaning of Section 409A of the Code. To the maximum extent permitted under Section 409A of the Code and its corresponding regulations, the cash severance benefits payable under this Agreement are intended to meet the requirements of the short-term deferral exemption under Section 409A of the Code and the "separation pay exception" under Treas. Reg. §1.409A-1(b)(9)(iii). With respect to any expense, reimbursement or in-kind benefit provided

pursuant to this Agreement that constitutes a “deferral of compensation” within the meaning of Section 409A of the Code and its implementing regulations and guidance, (i) the expenses eligible for reimbursement or in-kind benefits provided to Dr. Murthy must be incurred during the Term (or applicable extension or survival period), (ii) the amount of expenses eligible for reimbursement or in-kind benefits provided to Dr. Murthy during any calendar year will not affect the amount of expenses eligible for reimbursement or in-kind benefits provided to Dr. Murthy in any other calendar year, (iii) the reimbursements for expenses for which Dr. Murthy is entitled to be reimbursed shall be made on or before the last day of the calendar year following the calendar year in which the applicable expense is incurred and (iv) the right to payment or reimbursement or in-kind benefits hereunder may not be liquidated or exchanged for any other benefit. The University will adopt such amendments to this Agreement as are necessary or appropriate to exempt the payments or benefits from section 409A of the Code or to modify such payments or benefits in a manner that maintains the value of this Agreement to Dr. Murthy to the maximum extent possible while remaining in compliance with section 409A of the Code.

- 13.13 Return of Property. Any property (including without limitation equipment, documents, records and keys) furnished to or created by Dr. Murthy incident to her employment as president belongs to the University and shall be promptly returned to the University upon request of the Board Chair, reasonable wear and tear accepted.
- 13.14 Technology Transfer. Dr. Murthy acknowledges the University has a technology transfer program that requires that as a condition of employment, employees assign to the University rights to any invention or improvements in technology, including software, developed using University facilities, personnel, information or other University resources.
- 13.15 Self-Disclosures. Dr. Murthy represents that Dr. Murthy has accurately disclosed all background information, including without limitation allegations of misconduct whether substantiated or not, and all criminal and investigation history, to the University's search firm and answered all questions presented by the search firm and the University honestly and completely. This Agreement is conditioned upon and contingent on this Section 13.15.
- 13.16 Criminal Background Check. This Agreement is subject to compliance with University Policy 05-010, which may include a criminal history check in the future for certain activities, and includes ongoing self-disclosure requirements.

14. AGREEMENT SIGNATURES

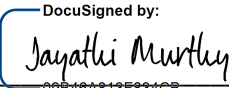
- 14.1 This Agreement is subject to Board approval. It is not binding on either Party unless and until signed by both Parties following the Board's affirmative vote approving the appointment, employment, and terms of this Agreement in a public meeting. Accordingly,
- (a) The signatures by “DR. MURTHY” and “BOARD CHAIR” in the first signature block indicate agreement on the terms of employment and appointment between Dr. Murthy and the Board Chair to be proposed to the Board. The signatures do not reflect the Parties' intent to be legally bound by this Agreement. Signature by the Board Chair is not an offer of employment by the University.


(b) When signed by "DR. MURTHY" and "OREGON STATE UNIVERSITY" following Board approval, the Party's signatures in the second signature block indicate agreement on the terms of employment and appointment between the Parties with an intention to be legally bound by this Agreement.

Signatures only for the purpose of indicating agreement on terms for proposal to Board:

DR. JAYATHI MURTHY

BOARD CHAIR

By: 
Dr. Jayathi Murthy

By: 
Román D. Hernández, Board Chair

Date: 10/21/2025 | 17:03:56 PDT

Date: 10/21/2025 | 17:14:44 PDT

Signature of the Parties agreeing to be legally bound following Board approval and to be effective as of the Effective Date.

DR. JAYATHI MURTHY

OREGON STATE UNIVERSITY

By: _____
Dr. Jayathi Murthy

By: _____
Román D. Hernández, Board Chair

Date: _____

Date: _____

By: _____
Jackie Bangs, Secretary of the Board

Date: _____

ATTACHMENT A

RELEASE OF CLAIMS BY [NAME].

This Release of Claims ("Release") is entered into by [NAME].

BACKGROUND

1. [NAME] and Oregon State University ("University") are parties to the Employment Agreement and Notice of Appointment for President, effective November 1, 2025 (the "Employment Agreement").
2. University has terminated [NAME's] employment under Section 11.2 of the Agreement.

RELEASE

A. [NAME] and her heirs, assigns, and executors hereby waive, release and discharge OSU Releasees from any and all claims which [NAME] may have, known or unknown, of any kind whatsoever from the beginning of time to the date on which [NAME] signs this Release, including but not limited to those that relate to or arise out [NAME]'s employment as president at the University. Without limitation, [NAME] agrees to release the University and the Board of Trustees from any and all claims and causes of action based on any law, statute, constitution, or University policy, or based on contract, tort, or equity or any other legal principle or claim, including, without limitation, claims for discrimination in employment, any claims of retaliation, negligence and intentional conduct of any sort, claims for defamation, claims based upon age, sex, race, national origin, religion, disability discrimination, labor protective provisions or conditions, severance pay, wrongful or constructive discharge, fraud, unjust enrichment, promissory estoppel, intentional or negligent infliction of emotional distress, negligence in any action, breach of express or implied contract, including, without limitation, claims arising out of Title VII of the Civil Rights Act of 1964, 42 U.S.C. § 1983; the Americans with Disabilities Act of 1990, 42 U.S.C. § 12101 et seq.; The Employment Retirement Security Act, 29 U.S.C. § 1001 et seq.; Executive Order 11246; The Rehabilitation Act of 1973, 29 U.S.C. § 701 et seq.; the Family Medical Leave Act ("FMLA"); the Oregon Family Leave Act; the Age Discrimination in Employment Act ("ADEA"); and ORS chapters 652, 653, and 659A; as those statutes may have been amended from time to time; or any other state or federal statute or regulation or local rule or ordinance based on any act or omission prior to the execution of this Release. This Release does not apply to or affect any claim [NAME] may make or that she may have made pursuant to Oregon's workers' compensation statutes, nor does this release prevent [NAME] from pursuing claims and rights set forth under the Employment Agreement or challenging the enforceability of this Release. [NAME] acknowledges, however, that she is unaware of any occupational disease or injury she may have suffered. This Release also does not extend to any indemnification rights that [NAME] may have pursuant to Section 13.1 of her Employment Agreement.

B. [NAME] acknowledges that she has carefully read and fully understands the provisions of this Release. [NAME] understands and acknowledges that:

1. The preceding Release includes a voluntary waiver of any and all claims that [NAME] has or may have against the University arising under the federal Age Discrimination in Employment Act of 1967, 29 U.S.C. §621, et seq. ("ADEA Claims");
2. [NAME] has waived any and all ADEA Claims pursuant to this Release and in exchange for consideration, the value of which exceeds the payments or remuneration to which [NAME] was already entitled;

3. [NAME] has been, and is hereby, advised to consult with an attorney prior to executing this Release, and [NAME] has retained an attorney to provide her with legal advice concerning this Release;

4. [NAME] has been, and is hereby, informed that she has a period of at least twenty-one (21) days to consider the terms of this Release from the date on which the University delivers the Release to her and if she executes this Release prior to that time she expressly and voluntarily waives the foregoing twenty-one (21) day period; and

5. [NAME] may revoke the release of ADEA Claims under this Release at any time during the seven (7) days following the date of [NAME]'s execution of this Release, and the release of ADEA Claims under this Release shall not become effective or enforceable until such revocation period leave has expired. To revoke the release of ADEA Claims, [NAME] must deliver a written notice of revocation to Rebecca Gose, General Counsel, Oregon State University, 638 Kerr Administration Building, Corvallis, Oregon, 97331, and the written notice must be received by midnight on the seventh (7th) calendar day after [NAME] signs this Release. If [NAME] revokes the release of ADEA Claims, the University has the option of voiding the Release. If the University does not void the Release, it is enforceable except for [NAME]'s release of ADEA Claims.

C. As used in this Release, the term "OSU Releasees" means Oregon State University and its schools, colleges, divisions, departments, and units, and their past and present trustees, officers, administrators, faculty, current and former employees, and their attorneys, insurers, and agents.